

JPRS-NEA-89-002  
5 JANUARY 1989



FOREIGN  
BROADCAST  
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SERVICE

# ***JPRS Report***

## **Near East & South Asia**

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# Near East & South Asia

JPRS-NEA-89-002

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## PALESTINIAN AFFAIRS

**AL-FAJR Editor Describes Role Vis-A-Vis PLO, Locals**  
*44230015 Jerusalem KOTEREST RASHIT in Hebrew  
19 Oct 88 p 20*

[Article by Mihal Sela: "Where Has Hanna Sanyurah Disappeared To?," including portions of an interview with Hanna Sanyurah, date and place not given]

[Text] Before the outbreak of the Intifadah, Hanna Sanyurah, the chief editor of the East Jerusalem daily AL-FAJR, stood at the center of a political storm that divided the camps on the two sides of the Green Line. His proposal to run in the Jerusalem mayoral elections on a Palestinian list illustrated just how divided united Jerusalem was, as well as the intention of some of the Palestinians to use the forced annexation to their benefit. His position aroused opposition not just among his enemies. Complaints were heard in the West Bank that Sanyurah was trying to take center stage and that he tended to act hastily, without consulting his comrades. When his car was set on fire by violent opponents he quickly returned to the fold. The fact that he is a Christian did not bother him in this connection, and it might even have helped. West Bank intellectuals tend to show more forgiveness to the minorities. At the beginning of the Intifadah, Sanyurah stayed in the center current; he was one of the 14 authors of the demands that later became known as the objectives of the rebellion. Since then, i.e., in the past 6 months, his name has disappeared from the headlines.

"I am the Palestinian minister of information," he decreed in a friendly talk in his office, as if he were producing a new headline. In that capacity—which so far is not a fact—he travels the world, always at the expense of the hosts: governments, political organizations, research and propaganda institutes, and many Jewish communities in Western countries. Sanyurah likes seeing the world for free although recently he has become rather bored with all those luxuries. He prefers to present his activities and initiatives as a national service rather than as an expression of personal ambition. "I have no wish to be a leader. The leaders will be elected when we have elections. I describe myself as a spokesman, as a good-will ambassador. My job is to present the Palestinian position, and my guiding principle is to speak with one voice in every language. That is why you sometimes see slogans against me on the walls. I am very happy with the statement made by Abu 'Amar ('Arafat) at the press conference in Strasbourg in which he said that the Palestinian state will be a pluralistic state when it comes into existence."

[Question] Who, in fact, appointed you as national information authority?

[Sanyurah] I am the editor of a very influential newspaper and that position enables me to do that. My competence was expanded by the fact that in June 1985 the PLO Executive Committee appointed me as one of the group of seven normally used by it for the purpose of negotiation.

[Question] In January, you were still in the news here—you even spent a few hours in detention—but since then it seems that you have not been very involved in what is going on in the territories.

[Sanyurah] That is because I have a job to do overseas, dealing with both public opinion and governments. In the past year I was in Germany, France, Britain, the United States, Sweden, and even Australia. I just returned 2 weeks ago from my latest trip, and tomorrow I leave again, this time for a meeting with Labor Party officials in England.

[Question] Your standing in the territories seems to have dropped since the beginning of the Intifadah.

[Sanyurah] On the contrary, since the Intifadah I feel that I have full support for my political views and line of thought, including my call to civil rebellion, which I describe as national rebellion. For example, the idea of supporting Palestinian production and boycotting Israeli goods. If you examine the manifesto of the Intifadah you will see that many of the things which I stated publicly are featured as demands of the underground leadership.

[Question] Faysal al-Husayni has similar proposals for resolving the conflict. Where is he, and where are you?

[Sanyurah] I am very sorry about what happened to Faysal. I think that he was crucified because of his name. He was definitely the victim of a great injustice.

[Question] Before the Intifadah you used to appear before Israelis a lot. What is happening now?

[Sanyurah] I still do. In 2 weeks time I will give a lecture at the Tel Aviv University. This year I appeared twice in kibbutzim, at the Yaffe Institute of Strategic Studies, and at several party meetings. Also, I traveled together with Victor Shem-Tov to a meeting in Italy, where we were both awarded a prize for our efforts to promote peace. It was a monetary prize and a golden dove. On the same opportunity we both met with the pope, who congratulated us on our contribution to promoting peace.

[Question] Why do we not hear about all those activities in Israel?

[Sanyurah] I have learned not to publicize my activities, otherwise I am criticized for seeking publicity. I do not need it. But there is no day that I do not have meetings

or accomplish something. This week, for example, I met with representatives of the French Socialist Party. I could easily have gotten a newspaper item out of it, but there was no need.

[Question] You may be more respected in Israel and abroad than within your own community. In light of your past experiences, do you not fear for your life?

[Sanyurah] I feel that people trust both me and the newspaper. I will begin to fear for myself the moment the peace process takes off, because then people like me will become targets for extremists.

[Question] In the past few days, we have heard many statements by members of the PLO leadership—Abu Iyad; Abu Mazin; and 'Arafat's political adviser Hani' al-Hasan—about the Israeli elections. Each one of them encouraged the Israeli public to support the Labor Party. Who has your support?

[Sanyurah] The policy of the Palestinians in the territories is that we must talk to the Israelis whoever they may be, and must explain to them our position toward the entire nation, not just toward a certain party.

Sanyurah knows that there is more of a chance to arrive at a mutual understanding with some parties than with others. He also knows that the parties which support a Palestinian state do not stand a chance of coming to power, and in politics one has to talk to the one who has the power. However, with professional tact, he declines to reveal his preferences. "We have to talk to everybody. We have to have a dialogue with whoever wins the elections. I supported the talks between Sari Nusaybah and Faysal al-Husayni with Moshe Amirav, too."

[Question] Nevertheless, what do you think about the views of senior PLO officials?

[Sanyurah] Those are personal views, not necessarily the position of the organization. However, it is true that there is an interaction between what happens in the Israeli arena and what happens in the Palestinian arena. Consequently, they are interested in expressing their views about what occurs in Israel.

## EGYPT

### Interior Minister's Accusations Rebutted

PM22D125788 Cairo AL-AHRAR in Arabic  
19 Dec 88 p 3

[Hisham Tantawi report: "Zaki Badr Accuses Shaykh Salah Abu-Isma'il of Robbing al-Rayyan and Shaykh Yusuf al-Badr of Being Financed by Khomeyni"]

[Excerpts] Interior Minister Zaki Badr has made serious accusations against People's Assembly members Shaykh Salah Abu-Isma'il and Shaykh Yusuf al-Badr. Zaki Badr accused Shaykh Abu-Isma'il of being the first person to dupe al-Rayyan and of obtaining 50,000 pounds without any legitimate claim!

Zaki Badr accused Shaykh Yusuf al-Badr of relying on Khomeyni in financing the al-Sahwah [Awakening—FBIS] party which Shaykh Yusuf al-Badr formed but the Political Parties Committee rejected.

Zaki Badr made his accusations against Shaykh Abu-Isma'il and Shaykh al-Badr in a meeting with Egyptian community members during his visit to London a few weeks ago. Al-Masa' newspapers published these accusations, on which the interior minister still insists. [passage omitted]

Major General Zaki Badr said that Shaykh Salah Abu-Isma'il deposited 75,000 pounds in the al-Hilal company. When al-Rayyan bought that company, Abu-Isma'il went to al-Rayyan and told him that he had 125,000 pounds in al-Hilal. He asked for his money, so al-Rayyan paid him the sum. But al-Rayyan later discovered that Abu-Isma'il had deposited only 75,000 pounds. This way Abu-Isma'il obtained the sum of 50,000 pounds from al-Rayyan without any legitimate claim. After that al-Rayyan sought the mediation of good people to recover the sum, but in vain. The minister said that he has the check number and date.

AL-AHRAR interviewed Shaykh Salah Abu-Isma'il and confronted him with Zaki Badr's accusations. He calmly replied: The minister's statement is simply a lie. [passage omitted]

Zaki Badr accused Shaykh Yusuf al-Badr of financing his new party, al-Sahwah, via Khomeyni. He also said that the party is based on religion—something which the law prohibits and which is the reason why the Political Parties Committee rejected it.

AL-AHRAR interviewed Shaykh Yusuf al-Badr and confronted him with Zaki Badr's accusation against him.

Yusuf al-Badr said angrily: I challenge the interior minister to prove that I am pro-Iranian or have a good relationship with any Iranians. [passage omitted]

[Interviewer] It is being said that there is a secret agreement between you and the Iranians, under which it is agreed that you attack them in the press and at conferences so that the agreement will not be exposed.

Al-Badr: Who said that? It is mere fabrication, and I challenge anyone to prove that I have links with Iran. [passage omitted]

Al-Badr continued angrily: I will not let that accusation pass unnoticed this time. I shall take the interior minister to court. [passage omitted]

**Interior Minister on Extremist Activities**  
*NC21D162788 Cairo MENA in Arabic*  
*1445 GMT 21 Dec 88*

[Text] Interior Minister Major General Zaki Badr has announced that the security services have over 100 incidents on record in which religious extremists set fire to shops, pharmacies and cars, and attacked mosques and churches. Speaking to members of the Shura Council Committee on Arab and Foreign Affairs and National Security at a session chaired today by Shura Council Speaker Dr 'Ali Lutfi, the interior minister said that extremists have turned a number of mosques, not exceeding 25 of the total number of 70,000 mosques in the country, into dens from which to launch their attacks against national security.

Badr said that, in spite of the laws giving the interior minister the right to demolish these dens, the idea of demolishing mosques is hardly palatable in a country of devout Muslims. He noted that extremists have turned mosques into ammunition and arms depots and places from which they launch attacks and deal in all kinds of narcotics. The extremists are using religion as a cover for their aims, he said.

The interior minister said that the security services are completely alert for every move being made by the extremists both at home and abroad. The security services are working strictly within the regulations and respect the sovereignty of the law and the plurality of opinions.

Zaki Badr said that the Interior Ministry is keeping a close watch on extremist leaders both at home and abroad. The security services know these figures well but cannot exceed certain limits in dealing with them, he noted.

The interior minister said that Egypt's Muslim youth are fine and deserve love and respect. He noted that the number of extremists in Asyut University does not exceed 825 out of the total student body of 45,000 on the main campus.

The last elections in this university, he noted, were won by moderates who called a joint meeting of the student union and the university council. The meeting ended in a call for the security services to maintain law and order and protect the lives of the students as well as the property of the university and the town. The security forces, he said, pledged not to intervene except at the request of the university authorities or in case of a major security disturbance.

The interior minister said that the security organs will not let up in their fight against crime and are currently engaged in completely destroying the hotbeds of crime.

He noted that the security services have cleansed the 'Ayn Shams area of the extremists who once claimed it as their turf and prevented weddings and funerals from being held there.

Badr added that there are elements who work against the regime and disturb the peace under various slogans. He named as examples the Muslim Brotherhood, the extremist groups, the communists, the Nasirites, and the Shi'a. He described the Shi'ite organizations as still being without much substance. He also asserted that certain opposition parties are attempting to join forces with the abovementioned groups.

Zaki Badr said that policemen run the risk of martyrdom as part of their mission, a mission to which they are dedicated. The police services, he said, will never be passive or cowardly in the face of any brand of extremism.

Badr said that policemen are not working against the opposition parties. He stated that opposition figures are for the most part honorable Egyptians, despite certain behavior by some of them occasionally.

The interior minister criticized some communist elements who went to Libya and met with al-Qadhafi, apparently to discuss support for the Palestinian uprising, oblivious to the fact that Egypt under President Husni Mubarak was the earliest supporter of the uprising and that it has been responsible for the major shift in tackling the Palestinian issue on the international scene.

Zaki Badr said that he will begin field visits to various governorates on Saturday to discuss the security situation with all officials, and also to meet with young people there and explain to them the realities of the situation in the country. The interior minister praised the press for its role in following up the events and highlighting the crimes of the extremists.

Speaker Dr 'Ali Lutfi welcomed and briefed the students from the training course at the Leaders Institute in the Police Academy, mentioning that the Council has prepared 60 reports on various issues and discussed 70 draft laws.

Zaki Badr held a frank dialogue with the members of the Committee on Arab and Foreign Affairs and National Security. He answered their questions in all areas and then presented the police shield plate to the Consultative Council. In return, Dr 'Ali Lutfi presented him with the council's medal and various gifts.

**Oil Field Discovered in Gulf of Suez**  
*JN19D194488 Cairo AL-AHRAM in Arabic*  
*17 Dec 88 p 1*

[Text] Egyptian experts have discovered a new oil field in the Gulf of Suez in the region of North Uktubar. Initial estimates indicate that the production of the field

is about 8,000 barrels per day. Initial tests also indicate that crude oil is present in economically encouraging amounts in a region not previously explored.

Answering a question posed by an AL-AHRAM correspondent, 'Abd-al-Hadi Qandii, petroleum and mineral resources minister, affirmed that the Gulf of Suez experts, Jabco, discovered the field, which is of very good quality, a few days ago at a depth of 11,000 feet. The discovery will be evaluated to specify its reserves. A program will also be set to dig production wells to develop and make it productive within 2 years. The discovery lies 5 km north of the Uktubur field.

It was also learned that the produced crude oil is of good quality. The oil exploration operations took place with the help of explorers from the Egyptian oil exploration company belonging to the oil corporation.

The oil sector currently aims to concentrate efforts on searching and exploring in regions and geological strata that have not previously been explored. They will also make new oil fields functional so that Egypt's production remains steady at its current level of 870,000 barrels per day to preserve the strategic reserves and add new petroleum reserves for the future.

#### MENA on USSR Plans To Finance Industrial Project

*NC16D135288 Cairo MENA in Arabic  
1205 GMT 16 Dec 88*

[Text] MENA has learned that economic and industrial studies are currently being conducted by experts of the metallurgical industries authority and a Soviet industrial delegation on implementing the biggest industrial project of its kind in Egypt and the Middle East, to produce 4 million tons of iron and steel annually.

Engineer Diya' al-Din Tantawi, chairman of the board of directors of the iron and steel company, has stated that this project, which the Soviet Union has agreed in principle to finance, will be established in an area along the Red Sea coast. The plant's operation will depend on iron ore which exists in the areas of the Red Sea, al-Wahat al-Bahriyah, and Aswan. Some materials required for production may also be imported.

He said 4 billion pounds will be invested in this project. Most of its production will be metal sheets used in the production of automobiles, ships, aircraft, metal home furniture, and bridges.

It is worth noting that the Soviet industrial delegation currently in Cairo has discussed with iron and steel company officials the executive measures for the plan to increase the production capacity of iron and steel from 1.2 million tons annually to 1.5 million tons by 1992.

Agreement regarding this project was reached with the Soviet Union. The Soviet Union will contribute 150 million pounds sterling to the financing of this project, on favorable terms.

The delegation also discussed another industrial project to increase the productive capacity of the company's plants during the new 5-year plan to 3 million tons annually with investments totaling 1 billion pounds.

#### Ministers Announce New Rail Line, Tourism Revenues

*45040104B Cairo AL-AKHBAR in Arabic 17 Nov 88 p 6*

[Article by Yasir Rizk]

[Text] The doubling of the rail line between Asyut and Luxor will be completed in three years, according to Engineer Sulayman Mutawalli, minister of transportation and communications. The 400 million pound project will reduce travel time between Cairo and Aswan from 15 to 12 hours.

Minister of Tourism Fu'ad Sultan said that tourism revenues amounted to \$2 billion and that the number of tourist nights during the first three months of the year increased by 107 percent and the number of tourists increased by 43 percent over the same period last year.

He said it was agreed with the Telephone Authority that the tourism sector would finance the installation of necessary telephone cables at new tourist villages on the Red Sea and that costs will be covered by subscriptions that the villages will offer [to residents]. He added that tourist villages in the Sinai could follow the same example in order to provide tourist activity there with telephone service.

The statements were made at a seminar on domestic tourist transportation held by the Tourism Writers Association at the Semiramis Hotel the night before last. The seminar was moderated by Association President Jallal Dawidar and attended by Muhammad al-Saqqa, president of the Federation of Chambers of Tourism, and Hamdi al-Shami, first undersecretary of the Ministry of Tourism.

Eng Sulayman Mutawalli asserted that in order to stimulate tourism, his ministry was willing to reconsider any exaggerated fees imposed on marine transportation companies. He said that rail traffic is at full capacity between Cairo and Aswan and that this capacity could be increased after the rail connection between Asyut and Luxor is doubled.

He added that a 240-km railway between Safaga and Qina was completed a few weeks earlier at a cost of 135 million pounds. The new line will facilitate the movement of tourists between the Red Sea and archaeological sites in upper Egypt.

He pointed out that the railroad authority loses some 329 million pounds annually because of the increasing costs of improvements and development, whereas train ticket prices remain fixed.

The minister said that some \$114 million, realized from international telephone service during the past year, will be used to finance development projects. He added that agreement was reached with the petroleum sector and the two Sinai governorates to provide public roadside telephone services.

**Industrial Organization Head Interviewed**  
*NC20D214388 Muscat ONA in Arabic*  
*2010 GMT 20 Dec 88*

[Excerpts] Lieutenant General Ibrahim 'Abd-al-Ghafur al-'Urabi, chairman of the Arab Organization for Industrialization [AOI], has granted an exclusive interview to ONA in which he said that the organization has made great accomplishments in manufacturing weapons lately. Among these accomplishments, he said, was increasing the range of the Saqr missile by 6 km. In addition, the armor-piercing capacity of the RPG launchers has been increased by 20 cm, and a new highly explosive anti-personnel shell [maqdhuf] for these launchers was produced. He mentioned that all of these modifications have already been produced.

Al-'Urabi said that the organization is prepared to cooperate with the Sultanate of Oman in any of the armament fields. He stated that the Arab nation has all that is necessary to sustain a modern weapons industry, mentioning that the infrastructure for such an industry already exists.

Cooperation in the production of weapons, Al-'Urabi said, is a basic strategic challenge for Arab countries. Weapons are needed in peace as much as in war, if not more, he said, because power is a substantial factor in keeping peace.

Al-'Urabi said that the potential of Egypt and Iraq for manufacturing rockets could be employed to produce a rocket capable of carrying a satellite into space. He stated that the organization could manufacture aircraft but it would not be able to run a cost-efficient production line unless a minimum demand of 120 planes could be guaranteed.

Al-'Urabi underlined that work at the organization never ceased during the past 10 years following the Arab boycott of Egypt and the withdrawal of Arab countries from the organization. He noted that the organization has upgraded its activities tremendously over the past few years. [passage omitted] The organization, he said, now runs nine factories instead of four.

Concerning cooperation with foreign organizations, Al-'Urabi said that cooperation is proceeding satisfactorily and is leading to excellent technical and financial results. He noted that cooperation is under way with British and French factories and organizations.

Al-'Urabi said that there are several forms of cooperation with foreign organizations, the most important of which are joint production, the purchase of certain parts, and technical assistance regarding advanced training. [passage omitted]

Giving examples of the organization's production, Al-'Urabi said that it is currently producing all kinds of rockets, including short- and long-range antitank rockets, artillery missiles, and carrier missiles [al-sawarikh al-ta'bawiyah] such as al-Husayni and al-Faw. The AOI also produces ammunition, artillery, and light weapons. [passage omitted] Al-'Urabi said that the combined potential of Egypt and Iraq for producing missiles could be employed to manufacture a two- or three-stage satellite-launching rocket. [passage omitted]

Lt Gen al-'Urabi stressed that manufacturing weapons is a strategic challenge; that is, a long-term challenge that requires thorough study and preparation. He added: It is easy for an authority in charge of war production to receive a request for manufacturing a certain missile, for instance, and then be able to produce it after a short period of time. It takes at least 3 years to produce a new missile or develop an already produced one. Therefore, we must work for the future in accordance with long-term plans and policies, particularly since the world around us is making great progress and strides. This, however, does not contradict the call for establishing peace in the Arab region, because power is the most important deterrent factor and helps maintain peace and stability. On the other hand, he added, progress in the field of war production reflects on civilian activity. Success in producing a satellite-carrying rocket could serve the civilian world because the rocket could be used in communications and for other purposes, in addition to its military use.

Asked how far the AOI's projects for the production of missiles and aircraft have gone and to what extent the aircraft could be actually manufactured by the organization, Lt Gen al-'Urabi said production has already started in some of these projects, such as the Hawkeye missiles, including the [figures indistinct] missiles and the various types of anti-tank missiles. All these missiles are being manufactured by the organization.

As for aircraft, he added, the AOI is technically capable of manufacturing an aircraft. However, aircraft production requires an agreement on the assembly lines for producing the aircraft's components. It would not be economically feasible for these lines to produce 20 or 30 aircraft. The minimum number of aircraft required to start production is 120, and for full production there must be requests for 600 to 800 aircraft. He emphasized

that should the Arab countries agree on the production of a certain aircraft and there is demand for 120 aircraft of this type, then the AOI would be ready to start producing this aircraft immediately. [passage omitted]

Al-'Urabi stressed that there are fundamental factors in the strategy governing business with the Arab countries, the most important of which are the following:

1. The organization does not seek to profit from its dealings with the Arab countries, since profit is the last thing the organization thinks about when doing business with them.
2. The purpose of dealing with the Arab countries is to provide them with an Arab military production, the continuity of which can be guaranteed in the event of any crisis so that no foreign party can control this process.
3. War production takes into consideration the practical needs of the Arab countries.

He added: We could have manufactured the Fahd armored vehicle, for instance, to be technically more sophisticated and expensive, but we preferred the current design because it is inexpensive, actually cheap; its armament is very suited to the requirements of the Arab region and it is tailored for use in the warm climate of the region. The tests that this armored vehicle has recently undergone in the UAE proved that it is highly efficient, compared with the various other armored vehicles. Furthermore, it is easy to operate and does not require great skill to use, and its spare parts are available in the Arab markets. New models of this vehicle have been manufactured recently with new armament: There are about 12 models of the Fahd armored vehicles. [passage omitted]

#### **Organization Official on Arms Production**

*NC25D115688 Cairo Domestic Service in Arabic  
1100 GMT 25 Dec 88*

[Text] Lieutenant General Ibrahim al-'Urabi, chairman of the Arab Organization for Industrialization [AOI], has stated that the AOI's production of weapons is comparable to that of the advanced countries. He noted that his organization is exporting spare parts to the company manufacturing the Mirage 2000, as well as to 22 other French air firms.

Lt Gen al-'Urabi disclosed that a contract had been concluded with Kuwait, according to which the AOI will deliver to that country the Fahd armored vehicle and jeeps, noting that the delivery will take place within a few months. He noted that the UAE is currently testing the Fahd vehicle, which so far has operated successfully in five countries.

In his statement, Al-'Urabi stressed that the AOI is capable of manufacturing modern warplanes, such as the al-Qahirah 300 fighter plane, which flies at 1.3 times the

speed of sound. He added that this fighter had been fully manufactured in Egyptian factories in cooperation with India and some West German experts.

#### **Private Cooperatives Seen as Only Solution to Prices**

*45040099B Cairo AKHBAR AL-YAWM in Arabic  
16 Nov 88 p 7*

[Commentary by Ahmad Zayn in "No Problems" Column]

[Text] Middlemen and inflation remain the topic of conversation. Because of the breakup of agricultural land ownership in Egypt under the agrarian reform law, middlemen used to have full control over production. Small areas with limited resources were created, allowing middlemen to have control over them by granting loans to the landowners and then buying up the crop before it was planted.

However, changes in the Egyptian agricultural map and the presence of regions with great potential and large areas, such as al-Tahrir Province, al-Salihiyah and others, have changed the agricultural map whereby it is possible now to control prices by using the production of these new areas.

But the problem remains in distribution outlets. We need hundreds of thousands of such outlets to include all major city neighborhoods. These outlets are controlled by middlemen who have been dealing with private sector merchants for many years, establishing business and financial arrangements with them that make it very difficult to break through the company's production to set reasonable prices.

Hence the notion to set up consumer cooperatives spread over major city neighborhoods to manage the marketing operations whereby goods may be delivered to the consumer easily and at a reasonable price.

The consumer cooperative experiment did in fact get underway, but it too failed. Why? Because the middlemen got wise to it and, in an effort to preserve their large gains, took off for the consumer cooperatives, buying up this production at low cost to reoffer it on the market at inflated prices. This they did either directly in cahoots with cooperative managers or indirectly by using female hawkers who stood in front of the cooperatives all day long, procuring any kind of goods arriving there to deliver them to middle men for a certain sum of money.

All instituted solutions have thus failed and there is only one thing left: group cooperatives set up by unions, federations, and the like, to sell to members only. This medium is the only guarantee that products will be delivered to the people at a reasonable price.

And as long as we have failed to move in this direction, prices will remain high. What we need is a popular initiative that can ultimately undercut these middlemen and reduce their chances of imposing any price they desire. Countries have started to encourage such cooperatives, and we have no excuse but to move quickly to put an end to unwarranted inflation.

**Cooperatives President Announces Transaction Figures**

45000068 Cairo AL-AKHBAR in Arabic 28 Nov 88 p 6

[Report by Muhammad Mahmud]

[Text] Sayyid Zaki, president of the General Federation of Cooperatives, has announced that the volume of transactions in the cooperative movement reached 5 billion pounds, and that there are 20,000 specialized cooperative societies comprised of 10 million cooperative members. He also said that savings by the peasants in the development bank amounted to 1.0002 billion [as published] pounds. He asked the government to establish an independent cooperative bank to take on the responsibilities of loans and financing.

This came in the first discussion session of the Egyptian cooperative movement leadership, which yesterday adjourned until the next day. [sentence as published] It was chaired by Dr Kamal Abu-al-Khayr, dean of the Higher Institute for Cooperative and Administrative Studies.

**Intelligence Service Law Modifications Approved**

NC25D215188 Cairo MENA in English  
2140 GMT 25 Dec 88

[Text] Cairo, Dec 25 (MENA)—A bill modifying some clauses of the law on "al-mukhabarat al-'ammah" (Intelligence Service) was approved here tonight by the People's Assembly in an evening session held under Speaker Rifat al-Mahjub.

The bill tightens punishment for publishing, disseminating or divulging any news, information, statements or documents pertaining to "al-mukhabarat al-'ammah" either in the form of memoirs, literary works and works of art, or through any vehicle whatsoever except after securing a prior written permit from the chief of "al-mukhabarat al-'ammah."

Also tightened under the bill is the proprietor, publisher or distributor of the published or disputed material as well as those responsible for publishing or disseminating it.

The bill carries a temporary hard labor punishment of intelligence service personnel hiding, spoiling, marring, damaging or disrupting documents, papers or things containing a defense secret with the intent of undermining work interest. If the crime is committed in times of war, then the punishment shall be hard labor for life.

The punishments shall be applicable to intelligence service personnel and every person committing one of the aforementioned crimes outside Egypt.

The assembly approved a number of agreements covering some power plant projects, establishment of a number of joint committees with Morocco, Iraq and Tunisia with the aim of furthering consultation, coordination and cooperation, and an economic and technical cooperation agreement with Venezuela.

The report of the committee on the reply to the government policy statement then came under debate.

The Assembly will be resuming the debate tomorrow morning.

**Activities of Al-Jihad Group Reported**

JN25D200088 Cairo AKHBAR AL-YAWM in Arabic  
24 Dec 88 p 5

[Report on Al-Jihad Organization's background and activities in Cairo's 'Ayn Shams suburb, by AKHBAR AL-YAWM staff]

[Text] According to security reports, the story of the extremist al-Jihad organization in 'Ayn Shams began after the 1981 incidents, when elements of the organization took 'Ayn Shams as a center for their activities. These elements succeeded in forming cells among institute and university students and among workers. They also used some mosques as meeting places and did not allow others to enter or even pray in them. These mosques included Adam, al-Salam, al-Anwar al-Muhammadiyah, al-Yaqin, and al-Muttaqin, all of which are in the 'Ayn Shams area.

The extremists used these mosques as places to organize their ranks and attract more followers through weekly lessons, which instigated people against the ruling regime and depicted the state and those in charge of it as departing from Islamic teachings.

The organization's members exploited preparatory and secondary school students to chant hostile slogans and pelt the policemen and installations with stones. The presence of the organization in the 'Ayn Shams, 'Arab al-Jisr, and al-Zahra' areas has threatened the citizens over the past 2 years. They formed security committees and other committees, which they called the committees of enjoining what is right and forbidding what is wrong [al-amr bilma'ruf wa al-nahi 'an al-munkar] as well as committees to extort protection money from vendors in the market.

The people's complaints against the misbehavior of these committees' members increased daily. For instance, the so-called committees of enjoining what is right and forbidding what is wrong used to attack parties held on happy occasions, storm pavilions where such parties were held, and beat members of musical bands and

popular singers. Band members performing at celebrations in 'Ayn Shams lodged six complaints against them. The members of these committees even stopped pedestrians and asked for their identity cards. If these pedestrians were accompanied by ladies or girls, they used to ask if they were their wives, sisters, or nieces. If the answer was yes, they would let them go. If the answer was no, they would attack them and order them not to walk with any girl in the street again.

The actions of the members of this organization were not confined to this, but went as far as recruiting dangerous people with criminal records. They dominated some merchants in the market and exacted protection money from them on the pretext that the organization needed donations to repair mosques. They then used these donations to buy penknives, chains, and weapons.

Instead of teaching people religion, the organization's members taught their followers how to resist the authorities by organizing tours, which they called "an Islamic day," to al-Fayyum, al-Qanatir, Ismailia, and Fa'id, where they trained these elements in violence and rehearsed them in the use of weapons against the police.

The extremists called the second principal committee in the organization the discipline committee. In fact, it is a security committee aimed at protecting the members of the organization during conferences and demonstrations. The members of this committee are subjected to intensive and strenuous physical training. The leaders of the organization admitted a number of criminals, including pickpockets and dangerous burglars, to this committee.

The first lesson in the discipline committee explains the need for each member of the organization to carry a weapon. Knives, chains, and bayonets are the ordinary weapons the members effectively use. The use of firearms is the responsibility of certain cells and is restricted to carefully selected members.

The leaders of the organization have formed a group of terrorists, who made firebombs and explosives from TNT as well as Molotov cocktails, which contain nails and broken glass. When these explosives are thrown at the police, they explode and the nails and broken glass injure citizens and police.

The leaders of these terrorists exploited some workers in the hills and quarries to supply the terrorists with explosives for use in their terrorist operations against the citizens and the police.

Among the strange activities of the terrorists is the formation of a group for mosque security to prevent anyone who is not a member of the organization from entering a mosque. Before any prayer, they used to stand at the door to allow members of the organization to enter the mosque but prevent anyone else from coming in.

The terrorists recruited a number of the Ibrahim 'Abd-al-Raziq market gangsters to extort protection money from vendors and give it to the terrorist leaders to buy weapons and knives.

This is the story of this terrorist organization's source of money in the 'Ayn Shams area, these are their practices and behavior, and these are the crimes they are committing against this country.

#### **Explosives, Molotovs Found in 'Ayn Shams**

*JN17D193188 Cairo AL-AKHBAR in Arabic  
16 Dec 88 p 1*

[Text] Twenty-eight bombs and three Molotov cocktails have been found in a cardboard box on the third floor of a mosque in Adam in the 'Ayn Shams area as the mosque was being handed over to the Awqaf Ministry.

Higher State Security Officer Yasir Mustafa has taken charge of investigation, supervised by Attorney General 'Abd-al-Majid Mahmud. Explosives and forensic experts have been assigned to inspect the items seized.

It is to be recalled that extremist groups had taken over the mosque in the wake of disturbances in the 'Ayn Shams area in August.

The Adam mosque board had gone to take delivery of the mosque before returning it to the charge of the Awqaf Ministry. However, the board members were surprised to find two cardboard boxes containing 28 glass jars with a mixture of yellow gunpowder and gravel. These bombs may be used only to cause explosions or fitted with small nails to cause injury.

#### **Banned Firearms Accessories Seized**

*JN18D203588 Cairo AKHBAR AL-YAWM in Arabic  
17 Dec 88*

[By Majdi 'Abd-al-Ghani]

[Text] The Misr al-Jadidah District Attorney's Office has initiated an investigation of a firearms store found to be secretly carrying sniper scopes unauthorized for circulation or sale and stamps to change and forge firearms numbers. A number of pistols and guns were also found hidden in the store.

Major General Mamduh al-Bura'i, the Cairo security chief, had received a tip from 'Isam Najm al-Din, Cairo chief of investigations, that the store was trading in unlicensed firearms and carrying contraband and devices to change firearm numbers.

Colonel 'Adil 'Abd-al-Mun'im, the licensing section head at the Cairo Security Directorate, then had the storekeeper arrested. Four pistols, three double barreled guns, a number of scopes, disassembled firearms in false drawers, and the stamps were seized. The prosecution then initiated investigations.

**Citizens Reject Normalization With Israel**  
*JN23D122688 Cairo AL-JUMHURIYAH in Arabic*  
*21 Dec 88 p 5*

[“A Word of Love” column by Muhammad al-Hayawan]

[Text] The Kuwaiti newspaper AL-ANBA’ published a report from Cairo by ‘Adil al-Sanhuri headlined “97 Percent of Egyptians Reject Normalization.” The report is full of mistakes, despite the writer’s good intentions while attempting to acquit the Egyptian people of any relations with Israel. The report is also full of mistakes because our colleague was moved toward an issue that deserves to be defended and because some Arabs still hold the Camp David card against Egypt.

It is a mistake to say that only 97 percent of Egyptians reject normalization with Israel. Actually, 100 percent do. Those who deal with Israel are forced to do so. Having performed its task in the best way possible and abandoned party affiliations for the sake of national affiliation, can the Tabah committee, for instance, be accused of normalizing relations with Israel? Can we accuse the foreign minister of normalizing relations with Israel? Can any Egyptian who dealt with Israel be accused of having neglected any Egyptian or Arab rights?

Israeli tourists are filling the streets of Cairo, collecting information and promoting drugs and counterfeit money. Yet, Egyptians uncover them easily when they notice their persistence in collecting information or when they try to promote illegal commodities. However, we have not heard that a single Egyptian has dealt with them, even if he is classified as dangerous. We have not also heard that a single Egyptian has spied for them.

It is a mistake to say that cries were heard only from Palestinian female students’ dormitories when the Israeli Embassy was opened. In fact, every Egyptian mother has something against Israel to remember. He who does not have a martyr or a disabled member in his family, at least remembers the children of Bahr al-Baqar school, the martyrs of Abu-Za’bal, Dayr Yasin, Sabra and Shatila, and Kafsr Qasim, and all the massacres Israel committed against the Arabs.

Israeli papers described the Israel ambassador in Cairo as a prisoner because of a public boycott. The Israeli papers also say that the press attache daily requests that he be recalled because he cannot meet any Egyptian journalist, although, in the course of our job, we meet with all attaches. It happened in my office once that the U.S. press attache met with the Soviet, and the South Korean with the North Korean. Throughout 9 years, Israel held only one reception, which was attended by five persons in view of their posts. This was never repeated. In contrast, for example, Iraq held a party before the resumption of relations. It was attended by at least 1,000 people.

It is a mistake to say that Egyptian rejection is organized and that only the left or only the bar association is behind this rejection. The Egyptian rejection is a spontaneous reaction to what Israel is doing. Egypt understands that peace should be comprehensive on all fronts. Therefore, all professional and labor unions, universities, artists, and farmers reject normalization of relations until a comprehensive peace is achieved. The only organized rejection is what Pope Shenoudah did and was followed by Copts.

It is a mistake to say that what Sa’d Halawah, Sulayman Khatir, and Egypt’s revolution did was a popular struggle. These were individual futile operations. However, they can be classified as crimes. There is a difference between wishing death for all Jews and killing them in Egypt. The first is a legitimate wish as a result of what Israel and the Jews have done throughout history; the second is a crime of disturbing Egypt’s security.

It is a mistake to say that the Egyptian people need an assertion by anyone that they are Arabs. Egypt’s Arab face is undeniable. It is a mistake to say that Camp David restrains Egypt. Experience and practice have proved that this is incorrect.

**Columnist Ties Muslim Brotherhood to Investment Companies**  
*45040104A Cairo AL-JUMHURIYAH in Arabic*  
*16 Nov 88 p 5*

[Article by ‘Ali al-Dali: “Brotherhood Sells Sedition in Easy Installments!!”]

[Excerpt] No Muslim Brotherhood leader can deny a link between the Brotherhood and the Islamic investment companies that have stolen funds from widows, orphans, and toilers of the earth. Nor can any leader of the “dissolved” Muslim Brotherhood now deny or reject what appeared in the books of Sayyid Qutb about the blasphemy of all Islamic societies and its consideration of these societies as more “ignorant” than the “ignorance” of Mecca before Islam!

These “strange” books, whose distribution depends on the mentally disturbed and the investments of the religiously ignorant, are books that are only distributed now by the Brotherhood or the investment companies that were planned and set up by the Brotherhood. At the head of this is the big company that established a publishing house with the funds of widows, orphans, the infirm, and pensioners, alleging that it is a house of Islamic thought. It published the books of Sayyid Qutb, which call for considering Egypt as “dar al-harb” [a non-Islamic country]. In his book UNDER PROTECTION OF THE KORAN (p 874), Sayyid Qutb says, and I quote: “Nations are divided into two types, and there is no third type: “dar al-Islam,” that being a nation whose

rulers apply the Shari'ah of Islam, even if its people are not Muslims; and "dar al-harb," that being a nation whose rulers do not apply the Shari'ah of Islam even its people are Muslims."

"Adultery and prostitution do not necessitate punishment in a non-Muslim country" is an exact quotation from p 728 of AL-IKHTIYAR LI-TAHLIL AL-MUKHTAR, a textbook for Al-Azhar secondary schools.

Sayyid Qutb and the [Muslim] Brotherhood therefore called for prostitution in Egypt because it is a house of war. Using the funds of orphans, widows and toilers of the earth, the Brotherhood's investment company spent millions of pounds to print hundreds of thousands of copies of books by Sayyid Qutb and heretical books in order to foment sedition in Egypt using the funds of the citizens themselves. These were funds which owners of investment companies did not inherit from their fathers and mothers.

After the investment company printed these books under the direction of the Muslim Brotherhood, it decided to sell them on the easy installment plan. These are books that turn Egyptians into infidels. The height of conspiracy against the motherland, the people, and the faith came when the aforementioned investment company was able to infiltrate public sector and government agencies where the poor employees were "ordered" to buy these despicable books and pay for them through easy monthly payroll deductions!

I am calling for the investigation of any official anywhere who facilitated this infernal Brotherhood infiltration of state agencies and the public sector and its companies. Perhaps such an investigation would uncover threats to the security of the motherland, such as secret agents in the employ of the Brotherhood who are paid by the treasuries of the aforementioned investment companies and other so-called Islamic-economy companies.

This so-called Islamic economy conceived and invented by the Muslim Brotherhood has now led to the ruin of hundreds of Egyptian households and to the starvation of small children whose money was taken by Islamic investment companies to be invested according to the Shari'ah with the blessing of the Holy Koran.

Thousands of honorable Egyptian households are now exposed to barbaric ruin because their funds were plundered in the name of Islamic Shari'ah and smuggled abroad to be invested in his own account by the Muslim Brother son of a tripe vendor. Perhaps he is investing the funds in the interest of the coming conspiracy!

These were funds that belonged neither to his mother and father nor to the mothers and fathers of Muslim Brothers. These funds belonged to Egyptian orphans and widows, sick and disabled retirees, and laborers in Gulf countries who lost protection and security and were deprived of any source of income because their funds

were smuggled by the Muslim Brotherhood to banks of Europe where the Jews are, in order to be invested by the Brothers to foment sedition and destroy a society they consider atheist and infidel—the Egyptian society as described by Sayyid Qutb.

The Muslim Brotherhood, in order to keep the suspicion of "usury" away from these funds owned by innocent Egyptian victims of investment companies, claimed that investment companies are bound by Shari'ah and never resort to usurous practices. They claimed this was true Islamic economics!

The fact is, it is the economics of thieves and gangs of bearded criminals who devoured the funds of orphans; and this means that they have devoured the fire that will destroy them.

We are told about the divorced wives of investment company owners. The millions they own are the property of Egyptian orphans, widows, and the infirm. What we hear about these faithful and veiled divorcees stirs in us tremendous disgust and contempt for all those who trade in religion. The merchants of religion deserve double this scorn and more. [passage omitted]

## IRAQ

### Opposition Leader Discusses New Anti-Government Strategy

44000114 Tehran KEYHAN INTERNATIONAL in English 27 Oct 88 p 16

[Text] Tehran, 26 October (IRNA)—Jihad (holy struggle) inside Iraq is the basic axis of SAIRI's new strategy, said leader of Islamic opposition to Ba'athist rule in Iraq Hojjat al-Eslam Seyyed Muhammad Baqer Hakim Tuesday.

Head of Supreme Assembly for Islamic Revolution in Iraq (SAIRI) said the new political strategy is presently more effective than military operations.

More on SAIRI's new strategy, Hakim said future plans of the assembly inside Iraq, include mass mobilization, more efforts on further unmasking to the world the true face of Saddam (Husayn) as well as proving the Iraqi Muslim's innocence.

Asked if SAIRI's activities in Iran have been curtailed after the Islamic Republic's acceptance of the UN Security Council Resolution 598, Hakim emphasized there is no restriction on the assembly. "Only our military operations have been ceased at the war fronts," he added.

Hakim also stated that SAIRI has no intention of shifting its headquarters from Tehran to Damascus but said following his recent visit to Syria, SAIRI has decided to open an office in that country also.

The SAIRI chairman paid a 6-day visit to Syria last week at the invitation of Syrian President Hafiz al-Asad. Hakim conferred with ranking Syrian officials and Iraqi opposition groups in Damascus.

The SAIRI head did not reject the probability of transfer of Iraqi mujahideen to Lebanon from Iran and said, "We will cooperate with all forces sharing our policy of fighting Saddam."

Hojjat al-Islam Hakim dismissed reports of a democratic atmosphere in Iraq and noted that all signs indicate that Saddam's regime has recently intensified suppression including execution of deserting soldiers.

Advertising to a forced membership for all Iraqi nationals in the Ba'ath Party, Hakim said the regime's survival depends on intelligence and espionage networks. In fact the Saddam regime is trying to tighten control over the Iraqi people and as a result has forced political and labor unions to pledge allegiance to his rule.

## ISRAEL

### Northern Commander Interviewed on Regional Situation, Players

44230016 Tel Aviv BAMAHAINE in Hebrew  
28 Oct 88 p 5

[Interview with General Yossi Peled, commanding officer of the Northern Command: "Hot Winter Not Expected" by Eldad Yaniv; date and place not given]

[Text] [BAMAHAINE] It has now been exactly 3 years since the explosion of the booby-trapped car that killed 12 soldiers near Metulla, and a similar incident occurred this week. Can you positively rule out negligence? Can you state that all the lessons were learned from the earlier incident?

[Peled] Positively no negligence. There is no connection between the two incidents, and they are not even similar. This time, too, we re-examined the standing procedures and we changed a few, but we certainly did nothing revolutionary.

[BAMAHAINE] In the car bombing incident, it was said that some of the South Lebanese Army [SLA] men collaborated with the terrorists. Are you worried about that?

[Peled] That was nonsense. I do not know where they came up with it. Our investigations revealed nothing of the kind.

[BAMAHAINE] It has transpired that the SLA commander threatened to execute those who helped the terrorists in the car explosion incident. Would the IDF prevent that?

[Peled] There is an SLA commander, General Antoine Lahad, and he is responsible in the field. He has his jail and his court system. We do not interfere. Nevertheless, it is important to remember that since Lahad's appointment as SLA commander, nobody has been executed by the SLA in Lebanon.

[BAMAHAINE] Terrorist actions against the IDF and the SLA seem to have escalated recently. Are we to expect a hot winter?

[Peled] I think that such conclusions are not to be taken seriously. There is no increase in activities. People seem to have forgotten February, when four gangs tried to get to the fence. There are periodic increases and drops, but that does not point to any trend.

[BAMAHAINE] What measures does the IDF plan to take against the large concentrations of means of warfare in southern Lebanon, which in fact permitted the preparation of the booby-trapped car?

[Peled] We can fight this phenomenon, but we shall never be 100 percent successful. We are continually active along this line, but there is no doubt that some depots will remain in place and will supply the terrorists in their actions against us.

[BAMAHAINE] The Hizballah practice the murderous suicide method. How worried are you about that? This week they announced that they will try to dispatch dozens of suicides.

[Peled] The Hizballah have always been our enemies. They tried many times before that, too, but failed, to our good fortune. That time they simply succeeded. As far as their announcements are concerned, there is no change. They have been making such announcements all along, and they still do, and I assume that that is indeed their intention.

[BAMAHAINE] Immediately after the car bomb incident, the Air Force sent in bombers. Do you not think that such bombing raids have only a psychological effect, and thus their value is strictly temporary and they do not serve as real deterrents?

[Peled] The air raids are not meant to dispose with ground actions. This is a whole complex of actions, so you cannot split up the package and evaluate just one component. Each action makes its own contribution.

[BAMAHAINE] Concerning one of the latest terrorist raids, it was said that Syria was responsible for allowing the terrorists to reach the security zone.

[Peled] If I am not wrong, the Syrians were never Zionists. We have no corroborating information, but clearly, if terrorists come from a Syrian-ruled area they obviously have the Syrians' permission and are acting in keeping with the Syrians' wishes.

[BAMAHANE] In recent months there has been an improvement in the level of performance of SLA soldiers, especially in the recent hostage rescue mission in Khila village. Why was such an improvement not possible earlier?

[Peled] There is great improvement in the SLA, but much still remains to be done. When we came to the conclusion 2 years ago that we wanted them to start performing, it was clear that we had to begin investing in them money, knowledge, and experience such as the IDF had. Until then we had made almost no investment and there was no serious body to take care of them. We changed the training of the troops and commanding officers, we improved the recruitment and re-enlistment conditions, and all that began, of course, to show results.

[BAMAHANE] Do you have a clear idea of what you want the SLA to look like by the end of the process? What will the operational expectations be?

[Peled] It is still not clear to me what we want the SLA to look like in the end. The troops must continue to train further. They, too, have new soldiers joining and others ending their service so, as in everything else, the investment must be systematic, consistent, and daily.

[BAMAHANE] Is there any hope that one day the SLA will be able to hold the entire security zone by itself?

[Peled] The SLA will never be able to hold the security strip without the help of IDF troops. It will be capable of far greater independence in action, but that is a long process which will probably not occur in the coming 1-2 years. It is a matter of many years. On the other hand, we must preserve the proportion. Great steps have been made, and the SLA is continuously getting additional missions.

[BAMAHANE] Items appeared in the past concerning the low ethical standards of the SLA. In the latest incident they behaved according to the norms. The terrorists who were taken prisoners put up their hands and were not shot. Did the IDF decide to hold them to such practices?

[Peled] Whatever their behavior, it was according to their own decision. Nevertheless, I assume that the things that we are trying to instill in them in this respect are beginning to penetrate.

**UNIFIL Carp About 'Red-Tape' at Rosh HaNiqra**  
**44000149 Jerusalem THE JERUSALEM POST**  
**in English 29 Nov 88 p 12**

[Article by David Rudge]

[Text] Jerusalem Post Reporter Rosh Hanikra—Unifil officers have complained to the IDF over what they describe as red-tape and overzealous security checks at this Israel-Lebanon border crossing point.

Some civilians and officers attached to Unifil and UN observer units are so angry they have discussed the possibility of moving their families from comfortable rented accommodations in Israel to live in quarters at Unifil's headquarters in al-Naqurah or neighbouring Lebanese villages to avoid the "daily hassles" at the border crossing.

About 350 UN personnel and their families live in Nahariyah. Their numbers are doubled during the summer vacation when families come to visit soldiers serving in the international peacekeeping force.

One officer, who asked not to be named, charged that the series of identification, customs and security checks on personnel, their belongings and vehicles were "humiliating."

About 300 UN personnel cross the border at Kefar Rosh HaNiqra twice a day on their way to and from work at al-Naqurah. The numbers are increased by troops bringing supplies from Haifa port and goods bought in Israel and by soldiers going on leave.

IDF sources said Unifil was partly to blame for the inconvenience and delays of up to three hours by failing to control the number of vehicles passing through.

The sources said the IDF did its best to assist UN personnel. They stressed, however, that the IDF was responsible for security at the crossing points between Israel and the "non-state" of Lebanon and would continue to thoroughly inspect every vehicle passing through.

Unifil spokesman Timur Goksel said there had been high-level contacts between the force and the IDF in an effort to solve the problem.

"Working in Lebanon and living in Israel, we are very conscious of the security problems and therefore there are no complaints about security measures. But when these measures are excessive, without serving any apparent purpose, it causes a lot of unnecessary resentment," said Goksel.

#### **IDF Chief Analyzes Regional Surface-To-Surface Missile Threat**

**44230023 Tel Aviv BITA'ON HEYL HA'AVIR**  
**in Hebrew Oct 88 pp 14-15**

[“Exclusive interview” with IDF Chief of Staff Major General Dan Shomron; “The Air Force Prepares for a Possible Confrontation With Surface-To-surface Missiles” by Aharon Lapidot; date and place not given]

[Text] The IDF is obliged to act strictly in accordance with the law in the territories. We must maintain a high moral level so that we do not deteriorate into gangs, as has happened with a lot of armies.

Even a 3- or 5-minute warning would have to lessen by tens of percentage points the damage that might be caused to the civilian population by a missile armed with a chemical warhead.

To respond properly to the possibility of a surface-to-surface missile attack, the IDF will be forced to invest more in intelligence and early warning.

If the decision is made to act against surface-to-surface missiles by striking them while they are still in their launchers, the means the Air Force has available to it will certainly do the job.

One of the reasons there are no more large demonstrations in the territories is because of steps taken from the air.

At the end of the next decade there will be no choice and we will be forced to look for the next generation of our air superiority plane; i.e., we will have to consider the A.T.F. [advanced tactical fighter].

The great danger involved with surface-to-surface missiles, says the chief of staff, is in the acceleration of the process of arming the states that hold them. The surface-to-surface missile is so expensive that it really does not pay to launch it armed with a conventional warhead. There is no advantage in a 1/2- or 1-ton bomb on which you waste a missile that costs a fortune just to bring it to its target.

What is a good analogy? It is like someone who builds himself a superior tank, very nimble with thick armor, and then equips it with a pistol instead of a cannon. Therefore, says Major General Shomron, countries that have such missiles are inclined to put more and more advanced devices in the head. At first chemical weapons, and then even nuclear weapons. The platform demands the most advanced warhead possible.

In an area like the Middle East that is filling up with missiles, the importance of advanced warning is going up significantly. "Even a 3- to 5-minute warning," says the chief of staff, "would suffice to reduce the damage that a missile with a chemical warhead would cause to the civilian population, by several orders of magnitude. A short warning could reduce the number of victims of a chemical attack by tens of percentage points."

How?

"Once the alarm is sounded all the people in the street would go into adjacent stores or restaurants and close the doors and windows. Not to speak of people who have personal protection that they can put on. Even without protection, sealing all openings is a rather effective defense against chemical warfare materials."

Maj Gen Shomron's conclusion: To provide a satisfactory response to the possibility of surface-to-surface missile attack, the IDF will be forced to invest more in intelligence and advanced warning. "We will be forced to go more into intelligence and warning and provide defense to military installations," the chief of staff avers.

What devices are we talking about?

"The influx of surface-to-surface missiles to the area is yet another task for the Air Force. The Air Force is now in the process of starting to deal with this and providing a response to this new threat. In principle surface-to-surface missile launchers are no different than any other point target that the Air Force must act against. Except, perhaps, that they are more removed and require more detailed intelligence. Therefore the devices that the Air Force has available will certainly suffice."

What about the possibility of intercepting the missiles after launch?

"As we know, in cooperation with the United States we are now developing the Arrow missile. When completed this will be a most advanced system with the capability of intercepting and destroying missiles while they are still in the air. The problem with the Arrow is that it is an exclusively defensive system. An offensive system is more versatile and can hit any target, not just attacking missiles. As always, because we have to deal with strict budget limitations, the key question is what effect will the development of the Arrow have on our equipping ourselves with other devices: What effect will the investment in this project have on the resources directed at projects to increase our offensive capability?"

At this stage the question arises, of course, as to the nature of the IDF in the post-Lavi era. Apart from the Arrow, are there other projects in the framework of the refitting program?

"The problem of the Lavi was a simple one of cost effectiveness. For the same price we could buy a much larger number of F-16's and still have money left over for advanced weapon systems that would very much improve the performance of the F-16. Apart from that, we are carrying out a refitting project for the Phantoms, "Sledgehammer 2000," and in the future, a refitting project for the Puffins, "Puffin 2000," and others."

Apart from the F-16, what other planes will the Air Force acquire?

"We will purchase more F-15's, but in decent quantity to maintain what we have. In the multiyear program being worked up now, answers will be given about the Air Force's rate of acquisition of advanced planes and weaponry for the next 10 years."

"You have to remember that the more modern a plane is, the more expensive it is, the more expensive is its upkeep and the more expensive is the training of the crew that maintains and operates it. We will have to compromise on quantity, but it is my feeling that our fighting edge requires us to maintain a qualitative advantage over the force that opposes us. Therefore we will buy the best and the most suitable."

"At the end of the next decade we will have to look for the next generation of our aerial superiority airplane; i.e., we will have to consider the A.T.F."

And helicopters? Is there a prospect for the Blackhawk here, the FC [expansion unknown], or some other advanced helicopter?

"Within the framework of the multiyear program, the rate of helicopter acquisition will, of course, all be determined."

How has the declaration of a cease fire in the Iran-Iraq war affected the weapons race in the area?

"Every war produces a quantitative arms race. This race turns into a qualitative one since the experience of casualties provides the participating countries a better, sharper understanding of the operation of weaponry and the consolidation of strategy. For us, as a working hypothesis, the cease fire (when it materializes) will change a strategic cornerstone in IDF programs. At this stage, it is too early to predict whether Iraq will become more radical or more pragmatic."

Something else is clear: Iraq has ceased to be a peripheral country. It has an Air Force capable of missions requiring mid-air refueling; surface-to-surface missiles capable of hitting us without a single Iraqi soldier crossing the Jordanian border; a regular army larger than the American Army: 55 divisions. There is no doubt that Iraq can be an influential factor. The potential threat from Iraq is greater than before the war."

I understand that you see the Iranian threat as smaller than the Iraqi?

"At least for the immediate future, the Iranian threat is smaller in the sense of army for army. The Iranian danger right now is indirect, in support of the forces in Lebanon."

Is our Air Force capable of dealing with this surfeit of weaponry, with the experience of the Saudi-British deal?

"The quality of the Air Force's weaponry still puts it at a higher level than the surrounding air forces, despite the narrowing of the gap with the acquisition of MiG-29's by Iraq and Syria. What is unique about the Air Force is its overall organization, its superior use of weaponry which relies on a basic manpower advantage at all levels."

How do the anti-aircraft forces deal with the nonroutine task of participation in the maintenance of quiet in the territories?

"The anti-aircraft forces do an excellent job everywhere they are positioned, and the aerial assistance provided by the Air Force via helicopters and patrol flights of Dornier planes also contribute to the calming of passions. One of the reasons there are no more large demonstrations in the territories is because of our use of aerial devices."

The IDF operates in the territories on a thin line. On the one hand, achieving the task of calming passions and on the other, operating strictly in accordance with the law. We must maintain a high moral level in order not to deteriorate to the level of gangs as has happened to many illustrious armies. The IDF is carrying out this mission very honorably, in general.

On the other hand, events in the territories must be seen as part of the struggle that has been going on now for 100 years between us and our neighbors. This struggle is being conducted within two circles: the inner circle is the Palestinians, especially through terror, and the outer one is the Arab countries with their various armies. The struggle has seen ups and downs and will end, in my opinion, only when these two circles recognize that they will not accomplish anything by force. Anyone who thinks that this long-standing conflict can be resolved in one fell swoop is making a big mistake and misleading others.

Our goal for now is to lower the level of activity in the territories in parallel with force reduction. To bring about relative quiet that we can live with.

Happy New Year.

#### **Team of Lawyers Inspects 'Ansar 3,' Sets Guidelines**

44230022 Tel Aviv BAMAHANE in Hebrew  
2 Nov 88 pp 41

[Article by Ya'ir Ben-David: "The Backyard of the Intifadah"]

[Text] From above, from a bird's eye-view or that of a satellite, it looks no different from a regular boot camp: neat rows of tents, a group of prefab structures, barbed wire, a gate, a flagpole and, of course, the MP at the gate—all surrounded by lots of yellowish desert sand.

From down on the ground, it is quite a different story. On the ground it is hard not to see the unusual things in this "boot camp." Like for example the blue work clothes of the "recruits" that remind you of poor factory workers; like, for example, the massive presence of learned jurists, military prosecutors, in uniform, and defense

attorneys in white suit and tie congregating at the court-room entrance; like for example, the concealed tension in the dry desert air that is all the more striking against the background of peace and quiet that generally characterizes this spot.

The prison facility in Qetzi'ot, which the media calls "Ansar 3," is not a typical prison. Nor are its "boarders" typical prisoners. They are a group of men of different ages, professions, and stature, all residents of Judaea and Samaria, and the Gaza Strip. A few of them were sentenced here by the military court to a prison term for disrupting order in the territories; most of them are administrative detainees who were held for a period of up to 6 months on the strength of an administrative detention order signed by an authorized military commander.

You might say that this is "the back door of the uprising," as the commandant of the facility, David Tzemah, calls it. Like the inn and the boarders, so Tzemah, too, is no ordinary commandant. He is not a military policeman who specialized in prison command but, rather, he hails from the Corps of Engineers which, at the time, helped put up the original Ansar camp in south Lebanon, and was pulled from his unit to set up the present camp; as circumstances would have it, he became its commandant, a job that has thus far robbed him of many nights of sleep.

"The facility was set up in March 1987 on the foundation of Military Prison No 7 which served as an open prison for IDF soldiers," Tzemah relates. Originally it was intended to hold "Land Day" prisoners, but the events in the territories that began in December of last year created a new situation and forced the security branches to deal with a large wave of prisoners on a scale not foreseen. Accordingly it was decided to expand the facility, and today it can accommodate thousands of prisoners.

"As of today," says Tzemah, "the facility holds 2,045 men. Of those, 166 were sentenced and the remainder are administrative detainees." According to the commandant, separation is maintained between the two groups because of the restrictions applied by international law. According to the rules of this law, an administrative detainee cannot be employed against his will, and he is allowed to remain in civilian clothes within the camp confines.

In practice, both because of the restrictions of the law and because of the territorial conditions, the prisoners are not employed in any useful labor and they spend most of their time talking, washing clothes, cleaning the encampment, and reading.

On the day of our visit to the facility Tzemah had guests: a delegation of jurists from the Office of Attorneys in Israel had arrived to inspect conditions at the prison, judicial procedures, and the general attitude toward

prisoners. Tzemah, connected to a small communications device by which he kept track of what was going on in the camp, was receiving the delegation at the gate and accompanying them respectfully to his room. There the guests heard his comprehensive summary of what was going on which, for sake of brevity, we will give the highlights of.

**Absorption:** A new prisoner arriving at the camp goes through a regular procedure, during the course of which he is read, with the aid of a translator, the administrative detention order that was brought against him; and it is presented to him. He is examined by a doctor to be sure that he can withstand prison, his personnel belongings are put into storage, he is given some personal items and is then taken to the tent designated for him.

**Housing:** The prison is divided into blocks and divisions. Within each division is an array of tents that serves as prisoner housing. Each group of divisions constitutes a block, which is an independent living unit within the overall camp that includes: a kitchen, infirmary, service rooms, and quartermaster.

**Food:** The menu presented to the prisoners is in accordance with the IDF food schedule for prisoners, some particular embellishments are added to adjust it to the special palate of this population such as, for example, legumes (rice, beans, chick peas) and Middle Eastern spices. The food is prepared by orderlies chosen by the prisoners themselves.

**Reading material:** The prisoners get three kinds of newspapers every day, financed by the Red Cross: HA'ARETZ, THE JERUSALEM POST, and AL-QUDS. Of course they also get books contributed by the League for Civil Rights or those sent by their families. The newspapers and books pass through a censor before being distributed to the prisoners. They can receive holy writings without restriction.

**Medical care:** Every block has its own infirmary under a doctor's supervision. The prison also has a permanent head doctor. Once a week the facility is visited by a team of physician specialists equipped with an X-ray machine. Anyone suffering from an urgent medical problem is immediately removed to a civilian hospital in the area.

**Family visits:** Every prisoner is entitled to one family visit every 2 weeks. In practice, there are no visits. The reason: because the facility is in a closed military area, an entry permit which can be obtained from the offices of the civil administration in the areas of the family's residence is required. Someone in the leadership of the uprising decided that getting a permit is the same as cooperating with the enemy, and the families were forbidden to do so. To make their point, they also burned a bus that was used to transport families on one of the visits. The result: They took the hint and the visits stopped. "Too bad," says Colonel Tzemah, "because we,

on our side, would like the visits, which can alleviate things for the prisoners, and we are even specifically set up for it from the point of view of procedures and methods."

**Legal representation:** Every administrative detainee has the right to meet with a lawyer and be represented by him in a hearing before a military judge to whom he can appeal his order of administrative detention. Indeed, the right of appeal is conditioned upon representation by a lawyer, but many of the detainees are represented by counsel, some from Israel and some from Judea, Samaria, and the Gaza Strip. Special locations have been set aside in the facility for meetings of detainees with their attorneys, and dozens of such meetings take place each day.

At the end of the survey, there is a whole series of questions. "Go ahead, guys, ask, ask, everything is open," Tzemah encourages them. The attorneys are interested in relations between the prisoners and the camp staff. Is there ever a situation in which violence is used? they ask pointedly.

"A situation—no, but extraordinary circumstances have occurred here and there," the commandant replies. The staff is made up partly of regular people and partly of reserves. Every soldier who serves in the facility goes through a briefing on required procedure and rules of behavior. The few deviations thus far, he says, were dealt with severely from the point of view of discipline. Thus, for example, a regular duty soldier who got involved in a fight with a prisoner while working in the kitchen was brought up on charges and sentenced to 28 days in jail. An officer with the rank of lieutenant colonel who, for no reason, patted the shoulder of a prisoner during the course of a conversation with him, was given a reprimand. "Every report of a deviation from the rules involving violence toward a prisoner that is brought to our attention is passed along for investigation by an examining officer, and the proper steps are taken in accordance with his conclusions," says Tzemah.

The delegation leaves the commandant's room for a tour of the detention areas themselves. It is noon. Quiet prevails by the tents. Most of the prisoners are seated on the mattresses, passing the time talking. It is not hard to guess about what. There are almost no complaints about detention conditions within the facility. One question is heard over and over again: Why are we here altogether? Why and for what are they holding us?

The lawyers complete the visit in the courtroom that serves the two appeals processes in the facility. Until a short while ago, the appeal was heard by a three-man committee that was only authorized to make recommendations. Following a change in the law intended to put judicial supervision over administrative detention orders, the committee was replaced by a military judge who has the power to decide, after hearing the arguments of the prisoner or his representative, whether to release

him from detention on the spot, to shorten his sentence, or to reject his appeal and leave the detention order in force. The right to appeal, as we noted, is available to every detainee, whether represented by counsel or by himself.

The judges who hear the appeals are all jurists, members of the military bar. During the time of our visit, sitting behind the bench against the background of the national flag was Judge Lieutenant Colonel (Res) Avraham Fachter. By noon, he related, he had already managed to decide about 20 appeals, for some of which he found in the appellant's favor and shortened their term.

On the way back to the commandant's room for a summing up talk with Tzemah, most of the lawyers do not conceal their pleasant surprise at what they saw. The impression that we had gotten up till now from the media was different, they admit. "I have no doubt," says one of them "that several of my clients now in civilian jails in Israel, with the overcrowding and harsh conditions that prevail in them, would be ready to change places with the guys here."

It is a bit ironic that Col. Tzemah himself is the one who hastens to put things in proper perspective. "In the final analysis, with all our efforts to maintain a humane attitude toward the prisoners and reasonable living conditions in the facility, you must not forget that this is a prison, not a sanitarium," he tells the members of the delegation a few seconds before they board the bus that will take them north, far from the backyard of the uprising.

## MOROCCO

### Progress of Wafabank Under Bennani Described

**Profile of Bennani**  
*45190016 Paris JEUNE AFRIQUE ECONOMIE  
in French Oct 88 pp 132-137*

[Article by Christine Kerdellant, special correspondent:  
"Abdelhak Bennani: A Tireless Innovator"]

[Text] A great chess enthusiast, Abdelhak Bennani is a constant innovator who leaves nothing to chance. Close associates consider him a model manager, but very demanding. His ambition, which to a great extent he has already achieved, is to bring the bank out of the Middle Ages and into the 21st century.

He prefers the company of Hegel, Kant, or Nietzsche to television or the cinema, but deals with money as readily as ideas or sentiments. He may enjoy rereading Plato, but his eyes are fixed on the future. Long-time employees of the bank say that under his guidance it has moved from the Middle Ages to the 21st century. Abdelhak Bennani, the banker-philosopher, vice president and general manager of Wafabank, is above all an innovator, a man who takes risks...calculated ones, that is.

At age 43, his eyes sparkling with intelligence behind gold-rimmed glasses, this smallish man sporting a fine black moustache has long been an avid chess player. It is an important detail. In 20 years he has never tired of the game, because the chess player—his pieces arrayed in front of him—is entirely responsible for his own fate, his victory or defeat. "The game is a perfect expression of the pre-eminence of mind over matter," he explains.

The same principle seems to be expressed in the architecture of Wafabank's head office, which he decided to build in downtown Casablanca. The structure is revolutionary in conception, decidedly modern, and perfectly appropriate to the image the bank wants to project: everything has a purpose. In this, it accurately reflects the philosophy of the man who built it.

The client in the ground-floor lobby or up on the 14th floor of the stately building on Avenue Mohamed V is struck by the lavishness of the premises, the profusion of marble, the wood paneling, the columns, and even the gilded metal stair banisters which one might overlook riding up the ultra-modern elevators equipped with a voice synthesizer which at each floor announces "going up" or "going down." But the "Wafa-men" who work here have long since become accustomed to the talking elevators and to a workplace permanently decorated with original oil paintings and sculptures by great Moroccan artists.

Abdelhak Bennani chose this prestigious new headquarters, just as he chose the new name for his bank. In fact, it was he who came up with the name "Wafabank" (*wafa* means reliable in Arabic), even if it was chosen only after numerous marketing tests, over names like "Salambank" and "Atlasbank." Far from confusing people, the vast publicity and public relations campaign that accompanied the rebirth of the CMCB [expansion unknown] early in 1986 was phenomenally successful, greatly increasing the bank's renown.

Abdelhak Bennani has presided over the company's destiny for 12 years now, but still contends that he came into the position by accident. "The scope of our freedom of choice in life is much less extensive than we think," he says. His inclinations led him to start out studying philosophy, and if he had not been influenced by his family environment he would undoubtedly have ended up in academia. But his parents, who were in business, and a brother who today is governor of the central bank, pushed him toward a business career: He entered the University College of Business in Paris. When he finished, the French insurance company, Concorde, offered him a job, but he preferred to return to his homeland: "I felt I could be more useful here," he explains.

He does not know what nationality he would have liked to be if he were not Moroccan: He is too well acquainted with the flaws of the peoples he admires. But he does appreciate the imagination and dynamism of Americans, the joviality of Italians, the humor of the English and—

perhaps—the culture of the French. Anfa, his luxurious villa—within which he claims to abdicate all power in favor of his wife, Fouzia—is drenched in the fragrance of jasmine. To a visitor, the sitting rooms, filled with works of art, seem a haven of peace. This man, who according to his wife would subsist exclusively on endives if he had his own way, loves swimming and spends as much time as he can in the small pool installed in the garden.

A doting father—is this the same authority figure so greatly feared at the bank?—he has always managed to keep his professional life from interfering with his children. The eldest, age 15, is, like his father, an avid computer enthusiast—at least where games are concerned. Abdelhak Bennani likes to play cards with his friends from the bank (though serving as this eternal perfectionist's partner is risky), but he traditionally reserves late Sunday afternoon for chess. "When Papa comes out," says his second son, age 9, "if he's laughing, he has won, but if he's crying, you know he lost."

Abdelhak Bennani almost turned down JEUNE AFRIQUE ECONOMIE's "Banker of the Year" award. His first impulse was to reject the award, probably out of humility, but he eventually reconsidered, since "the award concerned all the employees of the bank who have worked so hard, as much as or more than (he)." He would like to be thought of as a man of the "3 H's": honesty, humor, and humility... These last two he captures in the adage: "There is one person I avoid as much as possible—the first singular!"

Humor is his safety valve. He indulges in it all the time and cannot understand why important statesmen, especially the French, feel it is disgraceful to make a joke in public, when a man like Reagan loves to spice up his campaign speeches with humor. Far from being solemn, the banker likes to tell his Belgian partners...jokes about Belgians. In fact, Belgian jokes (I can personally attest to this from my own experience) are the only infallible way to make him laugh when the photographer takes his picture.

It was probably his strong convictions and his faith in science (even when quite sure he is right, he will bow before the results of an opinion survey that proves the contrary) that opened up the road to success for him. His associates on the executive committee say that when he took over as general manager in March 1976 he told them: "I want to make you winners," and he has succeeded. As proof, they point to the bank's performance. But they admit it is sometimes difficult to satisfy the aspirations of such a demanding leader: "He constantly devils us with articles he clips out of technical journals and passes on to us," they complain.

They see him as the model manager, a man whose own mind is never at rest and who never lets others rest either. But the bank officers do not relish his absences:

"When he goes to the United States, everyone quakes in his boots: We wonder what innovation he is going to bring back with instructions for immediate implementation."

"Work doesn't make you rich, it just makes you hunch-backed," says this hard-working man, quoting a Russian proverb with a touch of irony. Abdelhak Bennani is already looking ahead 10 years to early "retirement"—or at least to a position that would finally allow him to take a more detached view of things, to "philosophize." "Experience in business gives anyone who thinks about man and the world an analytical depth and understanding the pure man of letters may lack. But he must also have the time for reflection."

Meanwhile, he takes notes and stores them away in preparation for the day when he can seriously devote himself to his meditations. For it is such thoughts that he jots down in his cramped handwriting on the little slips of paper he is sometimes seen taking out of his pocket.

But ponderous thoughts cannot drive away his sense of humor for long.... After several hours of conversation in an interview he had approached with some misgivings—though by the end he was into the spirit of the question-and-answer session—he threw a mischievous look at his tormentor and said: "Well, can I put my clothes back on now?"

#### Wafabank in Statistics

Performance data in thousands of dirhams	1985	1986	1987
Total Balance	5,292,589	6,383,700	7,006,600
Capital Invested	215,703	395,427	460,941
Earnings	99,333	123,777	141,365
Loans Disbursed	2,400,700	2,598,300	2,770,200
Deposits Collected	3,643,867	4,280,300	4,686,000
Employees	1,131	1,174	1,188
Branch Offices	59	63	65

#### Interview With Bennani

45190016 Paris JEUNE AFRIQUE ECONOMIE  
in French Oct 88 pp 137-139

[Interview with Abdelhak Bennani, vice president and general manager of the Wafabank, at his home in Morocco, on being named JEUNE AFRIQUE ECONOMIE's "Banker of the Year," by Christine Kerdellant, special correspondent—date not given]

[Text] [JEUNE AFRIQUE ECONOMIE] Your bank is the fourth largest in the Moroccan banking system. What is its specialty?

[Bennani] We are a private bank with a commercial orientation—indeed, with a comprehensive orientation, if I may use that somewhat pompous term. We serve both large companies and small and medium-sized businesses, as well as private individuals, and we are active in all sectors of the economy.

[JEUNE AFRIQUE ECONOMIE] What is your market share in the various service categories?

[Bennani] Overall it approaches 9 percent for deposits and 9.5 to 10 percent for loans. Our share is greatest in current credit accounts, where we have about a 13 percent penetration, and smallest in the TME's [Overseas Moroccan Worker accounts], a market we moved into more recently, where we have about 3 percent.

[JEUNE AFRIQUE ECONOMIE] Despite your desire for "comprehensiveness," have you built up a unique image?

[Bennani] What distinguishes us most clearly, I think, is boldness and a sense of innovation: modernity. This is true with regard to our operational equipment (our data processing system is very advanced) and also in the services we offer our clients: Since 1981 we have added automatic tellers, an international banking card, through an agreement with Diners Club (today we also belong to the Visa, Eurocard and Mastercard networks), and most recently a videotext service, Wafatel.

Another example: it was Wafabank that brought "factoring" to Morocco, in connection with an export promotion campaign we conducted.

[JEUNE AFRIQUE ECONOMIE] But isn't electronic banking ["la monétique"] merely a gimmick in a country like Morocco where much remains to be done to mobilize savings? It costs as much to set up a cash dispenser as a branch office...

[Bennani] But electronic banking is far from being a luxury in Morocco... Obviously we must increase savings—and we have continued building our base. We have grown from 59 branch offices in 1985 to 68 in 1988, but we must still attract the saver by offering him practical services.

[JEUNE AFRIQUE ECONOMIE] Are you saying that instead of going out looking for savings, you offer the client the services that encourage him to place his savings with you?

[Bennani] Something like that. The automatic teller brings the bank closer, but it also has advantages for the banker. Like the credit card, it reduces the demand for cash on hand.

[JEUNE AFRIQUE ECONOMIE] Has the bank's improved performance confirmed your intuitions?

[Bennani] All the statistics (see table) show significant growth. But is that the full picture?

This is not so certain. For we are working within a system which does not facilitate analysis and in which improved performance for a bank is not simply a function of increased volume. Among other things, one must take into account the way financing is structured.

[JEUNE AFRIQUE ECONOMIE] Why doesn't Wafabank invest directly in companies in order to contribute to the growth of industry?

[Bennani] We are not alone. This is a characteristic of the Moroccan banking system. The banks stick to their own field and don't get involved in industry or commerce.

However, the "investments" entry in the bank's balance sheet includes subsidiaries we have created to offer a full gamut of financial services: a "leasing" company, Wafabail; an electronic credit subsidiary to handle credit cards (Diners Club of Morocco); a company specializing in consumer credit, Wafasalaf; a company to provide data processing services, Smeria; an insurance company, SNA; and a merchant bank, Financial Investment Company, which buys shares, helps ailing businesses get back on their feet, and initiates project studies which are then presented to investors.

[JEUNE AFRIQUE ECONOMIE] Might this subsidiary participate in the privatization program the government will soon be launching?

[Bennani] Absolutely.

[JEUNE AFRIQUE ECONOMIE] What are Wafabank's plans for further expansion?

[Bennani] We have just opened a branch in Brussels to provide services for Moroccan clients abroad and finance external trade with Morocco, or other countries. It has only been in existence for 1 fiscal year, so it is still too soon to say whether we are going to open up others.

The other facet of the bank's strategy concerns opportunities for expansion in parts of the financial market (the bond market, stocks, stock loans, etc.) which at present occupy a very marginal position in the Moroccan banking system. Finally, we must prepare for the deregulation of financing, which will very likely come about over the medium term. We are also actively preparing for the advent of the Greater Maghreb (in fact, two delegations of Algerian bankers were here with us this week), while closely watching the European experiment.

#### Reorganization of Wafabank

45190016 Paris JEUNE AFRIQUE ECONOMIE  
in French Oct 88 pp 140-141

[Article by Christine Kerdellant, special correspondent:  
"His Secret: He Sees Everything, Hears Everything, and  
Reads Everything"]

[Text] It takes more than good luck to move from the seventh to fourth largest bank in Morocco in only a decade. In the early 1970's, the former CMCB [expansion unknown] held close to a 6.5 percent market share

of deposits. Today its share is over 9 percent. A phase of uninterrupted growth began when Abdelhak Bennani was put in charge of the bank. Even though it is moving toward increased automation, Wafabank is still adding close to 50 new employees per year, half of them white-collar—a recruitment level rare among African banks. But according to the man most responsible, the bank's rise cannot be attributed to any magic formula. Success depends on rigorous management: "The instructions can be found in any management book. All one has to do is follow them."

He got off to a rough start, he admits, and relations with the board of directors were stormy, to say the least. "To do my job, I needed a stable majority that had confidence in me," he says today. When the Ali Kettani group finally acquired a majority of the stock, everything became easier. That was when the bank really began to take off, and rigor became the watchword, the leitmotif, that was applied in every domain.

Though members of the executive committee say Abdelhak Bennani maintains total control over the flow of information inside the company—not satisfied with just laying out broad policy guidelines, "he sees everything, hears everything, and every memo passes through his hands"—Bennani himself estimates that day-to-day administration takes up no more than 20 percent of his time, while projects and decisions about innovations and other matters affecting the bank's future absorb the other 80 percent.

In his view, management means adapting to environmental change, even adapting in advance of change. That in turn means extensive delegation of day-to-day management, but backed up by solid supervisory and control procedures—first of all through the inspector general's staff, which maintains personnel both in the head office and in the branch offices. In addition there is continuous electronic monitoring of activity in the departments, divisions, and branches. All the units in the network see their performance measured in terms of market share and contribution to overall profits. Good judgment involves balancing the goal of more deposits and loans against profitability. Ultimately it is the latter which is decisive. For the branches, quality of service is of greatest importance: progress in this area (in terms, for example, of errors made or waiting time at tellers' windows) is regularly noted by the inspectors and weighs heavily in overall assessments. The first objective Bennani set for himself upon his arrival was to solve the marketing problem. The bank needed a face lift. That phase culminated, on 1 January 1986, with the change of name (CMCB was too complicated, and too easily confused with the initials of rival banks) and the simultaneous introduction of the SIV (Visual Identification System). The checks, the exterior decor of the branch offices, and virtually all of Wafabank's identifying marks were changed and coordinated to create immediate public recognition (the yellow and green colors, the handshake emblem, the stylized pillars adorning the facade of

the home office). At the same time, the bank was bringing unprecedented innovations like electronic banking ("la monetique") to Morocco.

Next Bennani turned his attention to the bank's organizational structure. "We are in the business of transporting information," he says. "To do our job well, we must have good vehicles and a good highway." The "vehicle" is a data processing system second to none. As for the "highway," construction is nearly complete: Wafabank will soon have its own data transmission network, and will no longer have to rely on the traditional commuted network.

But the reorganization also affected the organization chart. Step by step Bennani replaced the traditional operational structure with one based on the market and its requirements: thus, instead of a credit department, we find various departments handling different categories of clientele and capable of dealing with all their problems.

After marketing and organization, Wafabank's general manager plans to make the bank's human resources his next priority. "This is where there is still room for progress," he says. Currently, on average about 3 percent of all working hours are spent on training, at a cost of 4 to 5 million dirhams. The goal is to increase training to 5 percent. Since "the only real asset is people"—and their good will—the company's pay and benefit policies are among the most advanced in Morocco. Its salaries are second highest in the banking community: the average employee earns 70,000 dirhams per year. Moreover, the year-end profit sharing plan based on each unit's qualitative and quantitative performance can add the equivalent of 2 months' wages to employee earnings.

## OMAN

### Japan Establishes Industrial Promotion Unit 44000112a Muscat *TIMES OF OMAN* in English 10 Nov 88 p 1, 3, 48

[Dr Al Yaqzan bin Talib al Hinai, under secretary for commerce and industry, answers questions put by Meena Ganjvji]

[Text] Plans are afoot to set up an expert body to help industrialists solve their technical administrative problems and improve productivity.

According to information released exclusively to the *TIMES* by the under-secretary for commerce and industry, Dr Al Yaqzan bin Talib al-Hinai "the Industrial Promotion Unit is being setup with a view to help the industrial sector improve its efficiency and make it more competitive."

The under-secretary said that a study to set up the unit had been conducted in coordination with Japanese experts and it would be opened soon after the studies were completed.

The responsibilities of the unit would include conducting studies and research to formulate ideas for the purpose of investment and, subsequently, to conduct feasibility studies.

The studies would deal with improving productivity and would contain recommendations for adopting measures to offer the best services for industry.

### Information

The unit would hold promotional studies for factories to identify their technical and administrative problems and help find solutions and their implementation.

The unit, Dr Al Yaqzan said would also try to improve the skills of local technicians (consultants) and utilise their services.

It could offer information to investors carrying out feasibility studies particularly those related in the market and the selection of technology.

It may also advise them on the various government formalities that they must complete to be able to set up an industry, Dr Yaqzan added.

The under-secretary said that to improve productivity the government was organising training courses for Omani administrators and workers at factories on the basis of requests made by firms. The courses, he said, were organised at the work sites and seminars held to strengthen the concept of Omanisation and to project its importance.

On the activities of the Financial Support Committee which was reconstituted last year following a Ministerial Decree, the under-secretary said, 58 companies had been given 61 government loans with a total amount of RO 21.3 million since the financial support system for industrial projects was introduced.

The number of companies granted easy loans by the Ministry include 1 from the hotel industry and 11 companies in the machinery and metal products spheres. There were 13 companies in the foodstuff and beverages industry and 17 in non-metallic mining, including bricks industries.

The committee, he said, also received many applications to strengthen tourism projects from the private sector and a tourist loan grant of RO 250,000 was approved to support the construction of Sur Beach Hotel which recently opened in Sur.

Other applications for tourism projects were being considered by the Technical Secretariat and they would be referred to the Support Committee for appropriate recommendations, he added. These projects included a boat anchor projects for Omani restaurants.

### 28 Ventures

Commenting on the response to the government's initiative, he said that so far 28 joint industrial ventures had been set up in the Sultanate of which 13 are in building material factories. The other industries, included food-stuff, furniture and paints.

Dr Al Yaqzan said the existing rules gave opportunities to AGCC nationals to set up joint investment projects with Omani citizens in the Sultanate. The incentives include exemption of customs duty on raw material and equipment and soft term government loans.

Commenting on the economic industrial climate in the country, Dr Yaqzan said the situation was similar to other AGCC states but industries in Oman did face a kind of an unequal competition from neighbouring countries where they were set up before.

In the face of this, the undersecretary said, the government had spared no efforts to help the industry by way of protection and encouragement to meet competition although these were slightly less than those in the neighboring countries.

### Prone to Collapse

"Believing in the principles of free economy, the Sultanate does not agree with the policies of exaggerated financial support for any economic sector, as this leads to the setting up of sick industries based on non-economic grounds. "Such industries are always prone to collapse when the support is discontinued for any reason."

However, the government did offer many incentives and these included setting up industrial estates. The ministry had prepared a model industrial estate in Rusail to encourage investors to set up industries there. It has the services and facilities required.

Land for construction and utilities amounts to 100 hectares (equivalent to 1 million square metres). It includes 125 plots of different sizes ranging between 1000 and 70,000 square metres which are leased for a period of 25 years. The lessee had the right to extend the lease for another 25 years.

The annual rent currently amounts to 1 Omani Rial per square metre. The value is reviewed every 5 years. Pattern ready-made buildings for factories are available with sizes ranging between 200 and 4482 square metres.

It also includes the basic infrastructure provided by the Authority on the site: road services, water, electricity, telecommunications and a station for the treatment of liquid leftovers.

Planning has been done to provide the estate with gas. The site has been levelled and asphalt roads, leading to all the planned land and factories, have been made.

The administration and services complex, within the estate, includes a mosque, shops, a restaurant, a bank, a post office, a clinic and car parking lots, in addition to the management offices of the Authority.

A site, adjacent to the estate, has been prepared for accommodation for its staff.

New industrial estates currently being setup are on their way in the Southern Region, Sohar, Nizwa and Sur.

### Contribution

When asked about the performance of the manufacturing sector, he said that it was undoubtedly an important means of diversification of the sources of national economy.

The value of the contribution of the manufacturing industries had gone up from about RO 2.1 million in 1975 to about RO 15.6 million at the end of the First 5-Year Plan 1980.

At the beginning of the implementation of the Second 5-Year Plan in 1981, the contribution of that sector amounted to RO 27 million. It then went up to RO 112.1 million at the end of the plan in 1985.

The 1986, the contribution of the manufacturing sector to the gross domestic products amounted to RO 178.3 million at current rates. There figures include the oil refining industry. [paragraph as received]

He explained there were two kinds of industrial installations in the Sultanate:

A. Industrial installations registered with the Secretariat of the Industrial Region. These are already in existence and have obtained authorisation and industrial registration. Each one of them has a full file containing all relevant data.

B. Industrial installations in existence which have so far not obtained industrial registration, as they have not completed the formalities for industrial registrations. Such installations obtain preliminary approval for registration.

### Small

All these installations are small, individual industrial installations. The number of industrial installations registered by 31 December 1988 amounted to 2,990, with an investment cost of RO 345.4 million. Preliminary approval has been granted to 1018 installations the investment cost of which is estimated at about RO 10,569 million.

Commenting on labour employed, Dr Al Yaqzan said: there had been a major increase in the number of those working in industry, as a result of the growth in the sector. The number had gone up from 115 persons in 1975 (which included 33 percent Omanis) to about 20,796 persons in 1987 (which included 18.8 percent Omanis).

The percentage of Omanis, he explained had gone down due to the vast expansion in this sector which necessitated the employment of additional non-Omani workers. It was not possible to provide the necessary number of Omanis to work in the sector as there were not enough Omanis in general and trained ones in particular.

As it was necessary to replace the expatriate workers with Omanis in all the economic sectors, including industry, the government had taken several measures to encourage this trend. These are:

A. The Royal Decree on the financial support for the private sector in the sphere of industry and tourism provides that beneficiaries of government loans should employ Omanis in a way that their percentage should not be less than 25 percent of the size of manpower within 4 years from the date of obtaining the loan.

B. The Ministry is studying the situation and size of Omani labour in each industrial installation which applies for any form of other incentives offered by the Ministry to the industrial sector.

Industrial installations in which a large proportion of Omanis is working are given priority in obtaining these incentives.

C. An extensive training plan has been formulated through the industrial promotion unit which will start its operations early in December.

When asked about the possibilities of excessive production which may lead to the dumping of goods in the markets he replied: "We believe that every factory may balance its production, taking into consideration the post marketed locally and the one exported."

The Ministry, he said was, making extensive efforts to encourage the producers to export, by way of developing trade relations with the other countries and acquainting

them with the Sultanate export potential or by participating in international exhibitions and bearing or partly bearing the expenses of the national companies participating in these exhibitions.

All this is done with a view to introducing Omani products and helping them create foreign markets for themselves.

Commenting on the complaints of local producers against imported goods and their argument and the competitive situation of these products is caused by the low standard of their specifications, the under-secretary said argument is not always up to the point.

It has been revealed in many of these cases that such complaints are inaccurate and that imported products are up to the standard of the specifications approved for them locally.

"We believe that this subject must be dealt with on a realistic basis. Many products imported for the local market enjoy the support of the authorities in the exporting countries. Organisations producing the imported goods are old organisations which recovered their full capital a longtime ago and which carry out marketing in vast and multifarious markets. This given their marketing flexibility not existing with the recently set up local organisation which do marketing in limited markets.

In general, the Ministry he said gave importance to all the complaints received by it in this regard in the light of the facilities available in the existing laboratories.

Commenting on the tourism sector he said: The Sultanate tried to provide all the necessary facilities to all its visitors, particularly in respect to entry formalities.

The Ministry had eased these formalities by issuing two decisions last year, allowing the hotels and major travel agencies in the Sultanate to bring tourist groups and waiving the need for visa for AGCC nationals.

The method of tourist groups had been adopted as a means to organise visits for the tourists at the present stage, as it was found to be most appropriate.

After the decision allowing the entry of tourist groups, a large number of such groups had visited the Sultanate since the beginning of 1987. Most of them were from Western Europe, North America and Japan. The number of tourist groups since the beginning of 1988 until now has reached 65.

Tourism, he said was among the important sector of economy and the Ministry had studied the tourist potential of the Sultanate with the intention of exploiting it by following the best means.

He said a strategic study for tourism development had been prepared on the basis of which plans had been formulated to promote the necessary tourism services in the tourist areas and coasts, Dr Al Yaqzan said.

The state had begun setting up a number of tourist utilities in different areas in accordance with each area's requirements, such as hotels and restaurants.

## SAUDI ARABIA

### Bulletin Provides 1987 Industry Statistics 44000113a Jeddah ARAB NEWS in English 23 Oct 88 p 2

[Article by Muhammad Ibrahim: "Kingdom has 2,061 Factories Operating"]

[Text] Jeddah, 22 October—There were 2,061 factories in Saudi Arabia up until the end of 1987 in which about SR95 billion were invested and with a manpower of 140,000 people, the Ministry of Industry and Electricity announced today in its annual statistical bulletin.

According to the bulletin, there were 1,629 factories wholly owned by Saudi nationals, 409 joint ventures, 13 plants owned by the Saudi Basic Industries Corporation (SABIC) in which about SR30 billion were invested and 10 factories for PETROMIN with a capital of SR5.5 billion.

The bulletin said 581 of these factories produced metals, 532 building materials, 329 foodstuffs and beverages, 302 chemicals, 125 paper and newsprint, 67 wood products, 42 textiles and ready-made clothes, 10 leather products, 6 ceramic and glass and 67 miscellaneous items.

The bulletin said Riyadh, with 686 factories representing 33 percent of the total number of factories, occupies first place and Mecca with 55 factories representing 27 percent, comes in second.

The Eastern Province has 474 factories (23 percent), Qasim 91 (4.4 percent), Madinah 87 (4.2 percent) and the other factories (8.15 percent) are distributed in other areas such as Jizan, Najran, al-Baha, Ha'il and others.

In 1975, the Kingdom had 460 factories which increased to 2,061 in 1987 marking a rise of 348 percent.

Chemical industries increased from 152 in 1975 to 581 at present. During the same period, factories for building material increased by 445 new plants, the foodstuffs and beverages industry by 260 and new factories and the chemical industry by 242.

The chemical industries absorbed most of the finances with total investment reaching SR52.382 billion which represented 55 percent of the entire sums invested in the

industrial sector. Cement factories, with SR20.033 billion come in the second place, the metal industries with SR11.367 billion third and foodstuffs with SR6.550 fourth.

There were 136 joint venture factories in 1975 in which SR3.973 billion were invested. These factories increased to 409 in 1987 with total investments amounting to SR49.235 billion. Mecca has 151 of these joint ventures, Riyadh 146 and the Eastern Province 116.

The bulletin appreciated the vast support provided to the industrial sector by the government under the leadership of the Custodian of the Two Holy Mosques King Fahd. It recalled that apart from the incentives and easy loans and in order to protect national industries, the government imposed 20 percent custom charges on foreign imports which the national producer could meet local market requirements. On the other commodities, the government increased the charges from 5 percent to 12 percent.

### Report Shows Positive Economic Growth Rate 44000136 Jeddah ARAB NEWS in English 5 Nov 88 p 2

[Article by Muhammad Ibrahim]

[Text] Jeddah, Nov 6—The Saudi economy staged a notable recovery during 1987-88 with provisionally estimated non-oil GDP registering a rise of about eight percent. Exports during the year rose by 16 percent to SR87 billion against a five percent rise of imports which stood at SR73 billion. The Kingdom's trade surplus rose from SR4 billion in 1986 to SR14 billion, according to statistical summary for 1988 issued by the Saudi Arabian Monetary Agency (SAMA).

"This was the first positive growth rate after the negative growth rates recorded in the previous three fiscal years," the report said, adding that the recovery was particularly impressive in view of the fact that it was achieved within the framework of monetary and price stability.

The report attributed the recovery to an increase in oil prices, the repatriation of private capital from abroad for domestic investment and aggressive export promotion by the private sector.

It noted that wheat production reached more than 2.5 million tons, barley 250,000 tons and was expected to rise in the near future to 750,000 tons.

The report said that national industry brought in more than SR8 billion in foreign exchange and noted that the performance of the petrochemical industry was particularly impressive with sales almost tripling during the year under review.

According to the report, non-oil exports maintained their upward trend rising by about 25 percent to reach SR9.4 billion.

It said in the field of money and banking, the broadly defined money supply rose by SR8.6 billion or 5.4 percent while currency in circulation and bank deposits accounted for about 15 and 85 percent respectively of the total increase in the money supply during the year.

It added that bank deposits registered an increase of SR7.4 billion of which SR4.4 billion was in demand deposits, SR2.3 billion in resident's foreign currency, SR620 million in marginal deposits for letters of credit and SR285 million in time and savings deposits.

It said banks' claims on the private sector declined by SR460 million or 0.8 percent due to the weak effective demand for bank credit. The ratio of the banks' claims on the private sector to the total bank deposits stood lower at 45.5 percent as compared to 48.6 the previous year.

According to the statistical report, commercial banks increased their foreign assets by SR15.5 billion to reach SR102.2 billion, which constituted 53.5 percent of their total assets. They also increased their foreign liabilities by SR10.2 billion to reach SR24.5 billion.

The report noted that net foreign assets of the banks by the end of 1987 stood at SR77.7 billion with a rise of SR5.3 billion over the previous year.

It said part of the excess liquidity of the commercial banks was mopped up through increased offerings of Bankers Security Deposit Accounts (BSDAs) by SAMA. The outstanding amount in these accounts went up to SR11 billion from SR7 billion the previous year.

It noted that commercial banks opened 37 new branches during 1987 raising the total number of bank branches in the Kingdom to 674.

#### **Cost of Living Has Reportedly Remained Steady After 1987 Fall**

44000138 Jeddah ARAB NEWS in English  
15 Nov 88 p 2

[Article by Doug Graham]

[Text] Riyadh, Nov 14—The Kingdom's cost of living for middle income Saudi and non-Saudi households fell from 1.6 percent from 1986 to 1987, and has remained flat for 1988, according to the Saudi Arabian Monetary Agency (SAMA) statistical summary.

The annual survey stated that in 1986, the overall cost of living for middle income Saudi and non-Saudi households was 92.4, using 1983 as a base year. The average for 1987 was 90.9. For the first quarter of the year 1408 [1987], placed by the summary in 1988, the total as 90.3.

The Saudi cost of living index is based upon a series of expenses for Saudi and non-Saudi families earning between SR3,000 to SR11,000 per month. Increases took place in furnishings, transportation and communication, entertainment and education, and miscellaneous categories. Decreases were registered in food, fabric and apparel and housing.

The biggest hikes took place in transportation and communication. In this category, costs rose from 104.2 to 118.1, an increase of 13.3 percent. Most of this took place due to the hike in telephone and telex charges by the Ministry of Posts, Telegraphs, and Telephones. An increase in gasoline prices also took its toll.

A recovery of rents may signal a small rise for 1988, one expert told ARAB NEWS.

The higher costs for other products were more than offset by housing, which continued declining sharply. Housing fell by 13.4 percent from 82.9 to 71.8. This is more important to the overall cost of living, because housing costs take a larger percentage of the middle class Saudi family's budget than does communications.

Foods, partially reflecting the ongoing price battles between the United States and the European Community, continue to decline, from 96.6 to 95.7 percent.

For the combined cost of living index the biggest increase was felt in transportation and communication. Housing again showed the greatest decline. It fell from 82.7 to 71.2 percent, with a fourth quarter low of 68.2 percent. Food prices declined as well.

#### **Industrial Company Projects Described, Growth Forecast**

44000138 Riyadh RIYADH DAILY in English  
14 Nov 88 p 2

[Text] Riyadh, Nov 13 (SPA)—The National Industrialization Company's (NIC) 23 operational and under implementation projects, involving a total investment of SR5.7 billion, are estimated to create more than 7,000 new job opportunities by the end of 1990, Dr Mahsun Bahjat Jalal, its chairman, has said.

He made these observations in his company's latest annual report for the period ending 1987, made available to the Saudi Press Agency here today.

Dr Jalal said the balance sheet for the end of the year shows total assets have grown to SR359,620,086 while owners equity rose to SR338,573,159.

"Moreover, total funds invested amounted to SR177,596,740 by the end of the year and nearly SR135 million is allocated for investments by the end of 1988. This will result in a total NIC investment of SR 313 million in Saudi industry," he added.

Dr Jalal expressed profound gratitude to Custodian of the Two Holy Mosques King Fahd and Crown Prince 'Abdullah Ibn-'Abd-al-'Aziz and their government for their encouragement and support and thanked shareholders and his company's staff for their constructive efforts.

"Due to the fact that a large amount of the company's paid-up capital has been invested in long term industrial projects, revenue from liquidity management decreased in 1987. Yet the company made a profit of SR8 million from some of its industrial projects. NIC, meanwhile, has kept its expenditures at the previous year's level," Dr Jalal said.

Referring to the local economy in brief, the report said many economists believe that the Saudi economy is moving toward more efficient, stable and sustainable growth path. This growth is expected to accelerate by the 1990s, it said.

The report gives details on 11 operational projects with a total investment of SR2.8 billion and NIC's share of up to 55 percent and 12 under implementation projects with a total investment of SR2.6 billion and NIC share of 42 percent.

Referring to four projects in the planning stages, the report said they involve a total capital investment of SR861.5 million with an NIC share of up to 50 percent.

There are also six gigantic projects, in the development stage. They are a foundry project in Dammam, a lead smelter project in Jeddah, a paper recycling project also in Jeddah, a float glass project in the al-Jubayl industrial city or in Riyadh, and a newsprint paper mill in Yanbu'.

The report said NIC's 11 projects under study will manufacture X-ray films, medical disposables, porcelain electrical insulators, chocolate, soda ash, electric transformers, large home appliances, electric motors and alternators, diesel engines and pumps, telephone sets, and caustic soda solidification.

Referring to purchase of shares by NIC with some Saudi joint stock companies for strategic purposes, the report said they totalled 9,598 shares with the National Shipping Transport Co., 20,000 with the Eastern Agricultural Development Company, 1,000 with SCESCO and 20 with the Saudi-Turkish Holding and Investment Co.

#### Report Gives Electrical Power Statistics

44000142 Jeddah ARAB NEWS in English  
14 Nov 88 p 2

[Article by Doug Graham]

[Text] Riyadh, Nov 13—Saudi consumers have benefited most from increased Saudi electric power generation, according to data published in the 1988 Saudi Arabian Monetary Agency statistical summary.

The summary, which looks at total power generation of the Kingdom's five regional power companies, shows that industrial consumption of electricity grew only 3.2 percent from 1405 to 1406, while production grew by 9.4 percent. These are the latest figures from the summary.

The summary says that total production of electricity rose from 41,904 million kilowatt hours (MKwh) in 1405, to 45,866 MKwh in 1406. During that same period, industrial power consumption rose from 11,656 MKwh to 12,029 MKwh. The data includes power production from the Saudi Consolidated Electric Companies (SCECOs) of the Eastern, Central, Western and Southern Provinces, plus the Northern Electricity Co. The generation figures include power co-generation at the Saline Water Conversion Corporation (SWCC) Multi-Stage Flash Distillation desalination plants. The smallest company, Northern Electricity, showed the greatest jump in power generation. This rose 19.9 percent from 853 MKwh to 1,023 MKwh. Industrial demand, however, declined by 66 percent from 12 MKwh to 4 MKwh.

The largest producer and industrial consumer of power is the Eastern Province which contains Aramco and Jubail Industrial City. Production rose 11.3 percent from 17,544 MKwh to 19,519 MKwh. Industrial consumption fell from 10,812 MKwh to 1,140 MKwh. However, industrial consumption as a percentage of total production fell from 61.6 percent to 57.1 percent.

SCECO Central, which covers Riyadh, saw production rise 8.3 percent to 11,148 MKwh. Industrial demand rose 23.0 percent to 411 MKwh. However, industrial use was only 3.7 percent of total production.

SCECO West, which includes Jeddah, saw power generation climb 6.0 percent from 11,577 MKwh to 12,268 MKwh.

#### Statistics for 1988 Cement Output Discussed

44000139 Jeddah ARAB NEWS in English  
13 Nov 88 p 7

[Text] Jeddah—The annual production of cement in the Kingdom has reached about 12 million tons, according to the latest official statistics, the Saudi Press Agency (SPA) reported. It quoted assistant undersecretary of the Ministry of Industry and Electricity for industrial affairs Muhammad Ali al-Musallam as saying the total production was shared between eight cement factories distributed throughout the Kingdom.

He said after attaining self-sufficiency, the factories started to export the surplus to a number of countries including the United States, Canada, Qatar, North Yemen, Bangladesh, Ivory Coast, Mozambique and others.

Al-Musallam underlined the great success of the Saudi cement industry and said Saudi cement has become a competitor in the international markets thanks to the consistent support extended to the cement sector by the government under the leadership of the Custodian of the Two Holy Mosques King Fahd and Crown Prince Abdullah.

Meanwhile the agency quoted statistics issued by the Saudi Seaport Authority which indicated that the heavy custom duties levied on imported cement have drastically reduced imports of this item from foreign countries.

According to these statistics, the bulk cement imports through the Jeddah Islamic seaport during the first quarter of 1988 fell by 53.9 percent from 603,000 tons of 278,000 tons.

Furthermore, industry experts believed that the Saudi cement companies have proven more competitive in the light of protection from foreign dumping. Earlier this year, the government implemented a 20 percent duty to provide relief to the Kingdom's cement companies.

It is noteworthy that stock prices of the Kingdom's cement companies have risen since the imposition of the custom tariffs on imported cement in January this year.

The share prices had been declining before December last year due to the effect of the cement price war which erupted between local producers and importers.

The importers said their imports have helped cut down development costs for the Kingdom by keeping cement prices low. They also said they are Saudi nationals who have every right to make profits from imports benefiting from the free economy of the country.

**Description of 'Asir Desalination, Power Plant**  
**44000140 Jeddah ARAB NEWS in English**  
**12 Nov 88 p 3**

[Article by Muhammad Ibrahim]

[Text] Jeddah, Nov. 11—The 'Asir desalination and power plant to be opened soon, will provide 96,360 cubic meters of potable water daily and 128 MW of electricity. The production of water can be increased by 20 percent if the plant is operated at a higher temperature reaching 108 degree centigrade.

The plant, which also includes a transmission pipeline to various parts of the region, is located on the Red Sea shore between the towns of al-Darb and al-Shuqayq, 115 km west of Abha, the provincial capital.

The scheme, implemented by the Saline Water Conversion Corporation (SWCC), is composed of a water desalination plant, an electricity-generating plant, a water transmission system and buildings and auxiliary equipment.

[Photo caption] Power Plant: One of the units of the 'Asir desalination and power plant, which will be opened soon. The plant, which will provide 96,360 cubic meters of potable water daily, is located near the Red Sea shore between the towns of al-Darb and al-Shuqayq, 115 kilometers west of Abha, the provincial capital. [end caption]

The sea water desalination plant. It consists of:

1. A sea water intake canal which is 680 meters long and 40 meters wide with a depth ranging between four and six meters towards the inland.

2. Sea water pump house: Together with the sea water pumping system, prefilters are installed. They contain reed purifiers for preliminary purification of intake water from solid particles and rotating purifiers with tiny perforated holes for final purification from solid particles, marine creatures and other suspended matter. It consists of six pumps for sea water each with a capacity of 14,000 cubic meters per hour and a chlorine production plant to sterilize the water.

3. Sea water desalination units: There are four units of a Multi-Stage Flash evaporation system (MSF) each with a production capacity of 5.3 million imperial gallons per day which are equivalent to 24,090 cubic meters of potable water daily. Thus the total daily production of the plant is 96,360 cubic meters.

The design of these units also allows them to operate under higher temperature which will increase output by 20 percent. It has taken into consideration the selection of high quality materials resistant to corrosion caused by sea water. The water pumps are rust-proof.

4. Brine discharge water drainage: The drainage canal which is 65 meters wide and 730 meters long, discharges into the sea.

5. Product water tanks: There are three tanks with sufficient capacity to hold about 20 hours. Total production of fresh water reaches 78,000 cubic meters.

6. Loading and unloading platform: There is a floating platform four km offshore used for unloading necessary fuel for the plant. There is also an anchorage at the western side of the sea water intake channel for loading and unloading equipment.

**The electric power station.** It comprises:

1. **Turbogenerator units:** There are two back pressure steam turbines coupled with the electric generators each having a generating capacity of 64 MW.
2. **Boilers:** There are two boilers each with a capacity of 105.4 kg per second of 379 tons/hour of steam at a temperature of 496 degree centigrade. There is one stack common for the two boilers, 120 meters high.
3. **Gas Turbines:** There is one gas turbine with a capacity of 18 MW.
4. **Fuel Tanks:** There are three storage tanks for heavy fuel oil and/or crude oil each with a capacity of 15,000 cubic meters sufficient to maintain the plant running at MCR for 34 days.
5. **Diesel Oil Tanks:** There are two diesel oil tanks each with a capacity of 1,000 cubic meters for gas turbine and boiler start-up operations.

**The water transmission system.** It consists of a 102 km long steel pipeline with a diameter of 42 inches, a 35 km long steel pipeline of 36 inches diameter to supply al-Darb with potable water and three concrete pipelines of lengths of 10, 20 and 29 km.

The project comprises eight tunnels piercing the Sarawat mountains with a total length of 10 km and a cross sectional area ranging between eight and 10 km. It also includes three concrete bridges for carrying pipes through deep valley crossings with a total length of 187 meters.

The plant also has five reinforced concrete water tanks with a combined capacity of 178,000 cubic meters.

There are four pumping stations alongside the pipeline from al-Shuqayq to Abha for pumping water into Abha tanks on Mt. Khubar at 2,297 meters above sea level.

The mammoth project also includes a housing compound with two villas, two buildings each consisting of four flats and a mosque. It covers 1,750 square meters. Another housing project currently under construction will be made up of 540 housing units.

## TUNISIA

**Communist Party Report Critiques National Charter, Elections**  
**45040068 Tunis AL-TARIQ AL-JADID in Arabic**  
**3-9 Nov 88 pp 4-6**

[Text] On 29 and 30 October, the National Council of the Tunisian Communist Party met at the request of the Central Committee. The meeting was attended by party cadres from various sides and sectors. Based on the Central Committee report which the party's secretary

general, Mohamed Harmel, submitted to the opening session—attended by the press—the council held a discussion on the political situation in the country, reviewing in particular the two issues of the elections and the national covenant, and discussed practical measures to render AL-TARIQ AL-JADID's second festival a success. The council also issued general bylaws outlining the party's position on current national issues. Following are the highlights of Mohamed Harmel's report:

Allow me to call attention to some of the provisions of the first National Council bylaws that grew out of the debates that took place before and during the council meeting, summing up the party's directions and political and intellectual base. The paragraph I would like to bring to your attention says: "The change that occurred on 7 November 1987 was an important turning point that put a stop to the decline that marked the last few years and opened new horizons before the country and its live forces. In this connection, the National Council reaffirms the party's positions and actions taken since 7 November and its support for the democratic approach and the principles it has declared in fulfillment of a significant number of demands for which democratic and national forces continue to struggle and to which the broadest sectors of society aspire, thus lending them a broad national consensus and creating new activities in society." The council's bylaws then added the following very important notion which I bring to your attention: "However, this broad national consensus, which represents important and necessary backing for the democratic course, is not enough to guarantee and firmly establish the democratic process, given the fact that the 7 November principles themselves are subject to interpretations and different, indeed conflicting, practices. Furthermore, the transition to a new era is covered with a conflicting tincture of both positive and negative factors brought about by a series of contradictions and conflicts. This was made evident during the recent by-elections. In this domain, the role of democratic struggles, progressive forces, the left, and the democratic opposition in general toward breaking away from the mentalities of the past and negative attitudes manifests itself."

And now, in light of events and the latest developments, we can take note of the significance and the validity of this analysis and this assessment, and the importance of the difficult issue it has raised that transcends dualism: either absolute support in the old traditional sense or absolute rejection and opposition. In the arena today, we find manifestations of this dualism.

As for us, when we criticize we are labelled by some as rejectionists, and when we lend our support, we are accused of abandoning the opposition. In the arena, at the ruling party level in particular, we have registered absolute support. (And I am not alluding here to the so-called pockets of apostasy that are vehemently anti-transition, but in the meantime are trying to adjust to the new situation by feigning support. I do not mean to point to them but rather to the true supporters of the 7 November change. In the absence of criticism, however, their

support is absolute, displaying manifestations of bally-hoo and acclaim for everything. This absolute support is based on the notion that change in itself can only generate positive results.)

On the other side, we find either preconceived rejection or despair following a kind of enthusiasm on the part of certain tendencies that were expecting the government to achieve everything. If the government fails to achieve everything, it is regarded as passive in the absolute and, accordingly, an integrated rejectionist position is built on the many negatives. Like the first position, however, it is wrong because it is based on the anticipation and expectations that the good and the evil will come from above. Such expectations negate struggles and democratic opposition and rely on superincumbent matters to bring them everything—hence the shift from enthusiasm to hopelessness and despondency.

This reminder of our position in the first stage is, in my opinion, the best preamble to the current council.

Naturally, this analysis of ours should be subjected to constant in-depth revision and updating in conformity with new developments. In terms of its major and essential directions, however, it is sound as evidenced by events and by the process itself. I will try to present to you at this point the Central Committee's conclusions regarding conditions and recent developments and will consider in this framework the national covenant and the legislative elections.

Our opinion can be summed up in the fact that, while we adhere to the pro-change national consensus, we believe that the battles are not over yet in the various democratic, progressive, developmental, and cultural fields. Criticism is an integral part of this and of all battles, the kind of criticism that aims to expose shortcomings and negative elements, to defend labor and public interests, and to include the people in the process with a view to raising their consciousness in all issues and difficulties the country is facing, so that they will not be mere spectators as is generally the case at the present time. For, despite the positive steps that have been achieved in this or that field and the gains that have been obtained, with regard to freedoms in particular, the battles are not over yet and indeed will have to continue. The circumstances of the battles, however, have changed and are no longer being blocked by universal tyranny that marked the last period of the former regime. They are impeded by another kind of obstacle, for we have new complications that are casting a kind of murkiness and obscurity.

For the political map, and the ideological and intellectual one as well, has changed despite the constants that are inherent in them. The positions and attitudes of the parties and the movements toward the government and the ruling party and on the various issues facing the

Tunisian people and the country have changed, as we have observed in various positions declared by various movements, be it during the national covenant debates or debates on other issues.

Therefore, talk about the opposition in general as one harmonious structure or as one single party, while it is made up of different parties, is untrue. Sometimes one reads in the press articles about the opposition and charges against the opposition. But what opposition? Such talk is due to the failure to scrutinize the complexities of the situation in the country.

It is also untrue that the democratic battle came to an end after the government acted on 7 November to consolidate democracy and democratic principles, actually realizing some sort of evolution. It is true that the current approach has achieved a great number of the demands for which we have struggled for years, but the battle is not over yet. As far as the Tunisian Communist Party is concerned, we have no problem with democracy and change. Democracy has been our motto for years, unlike the ruling party which for 30 years has refused to adopt the simplest democratic principles. Indeed, it has resisted them vehemently, and it ought to switch from the 6 November mentality to the 7 November one. As for us, however, we have been calling for this change for years, working and making sacrifices in an effort to mobilize the broadest forces. We have been relatively successful in mobilizing forces that used to belong to the ruling party but have joined the opposition or movements that used to believe in the one-party system and now believe in multilateral action, while before and after independence we were struggling for the sake of change. I believe that the ruling party has embarked on a kind of positive change, and we must take note of that. We hope that it will rid itself once and for all of the mentality of ossification and the one-party system.

Significant steps have been made in terms of freedoms and active dealings with the parties and the movements. A new climate of freedom of expression and multilateral action has been created, allowing several movements, even those which are unrecognized, to express their positions and to define themselves through the press, for example, or through other channels, and has also allowed several movements to emerge in the arena. Two parties have been recognized so far, while other movements have not yet received the official stamp. By that I mean the movements that are actually in the arena because, when it comes to the official stamp, there are problems and perhaps negative factors, and we demand the recognition of those movements that already exist.

With respect to the popular unity movement, we have expressed our solidarity with it regarding the difficulties it is facing with respect to recognition, because of the condition that Ahmad Bin Salih not be the movement's secretary general. We view this as intervention in its affairs and as unreasonable and unacceptable with respect to the 7 November principles. There are other

issues such as the nationalists' cause. We believe that recognition of the nationalist faction that used to be the subject of abuse is a positive move. So is the fact that it is now relatively active and is expressing itself, and legal recognition of it is likely now despite some strange complications associated with such a likelihood, such as the resignation of the Constitutional Rally Central Committee member to become a candidate for the nationalist movement leadership. Such matters cast doubt on this process, but we adopt only what is positive, for we believe that the nationalists alone are the ones who must decide what is in their interest and what is not.

However, with the recognition of a multilateral system come many negative elements stemming from a kind of apprehension about the system itself and total fear of union independence and of a civilian community's role, or, in other words, action by people outside the government. This was manifested during the first period through such legislation as the press law and the parties' law. It also became manifest in numerous practices such as persistent dubiosity and interposition between the government and the ruling party, especially in the media which almost never changes despite certain positive, but limited, points we are scoring.

Furthermore, the union issue is still beset with utter equivocation. The government bears responsibility for the situation in which the Tunisian Federation of Labor finds itself, but the unionists bear a big responsibility as well because they ought to have learned lessons from the past, which they have failed to do clearly and adequately, and they must adopt the union cause to turn it into the cause of the unionists who are loyal to the federation and its independence, and we do not wish to meddle in its affairs.

We also believe that it is not possible to effect a profound democratic change in the country without a union movement. The parties' efforts themselves would be extremely incomplete and inadequate if not accompanied by a union movement, because a union movement is associated with the defense of urgent interests while the party is responsible for political long-term demands. The power of the democratic movement lies in the realization of this link between urgent and political demands, a link that is missing now. This fragmentation has an impact on the political parties and even the communist party because laborers need daily protection and cannot actively join political action without joining a union to defend their demands and to protect themselves. Most important of all is that failure to build a strong democratic movement allows the multilateral system to remain superincumbent, consisting of a growing number of marginal movements and a pack of people linking up for leadership, thus eclipsing the national, democratic, and progressive objectives to which all parties aspire.

We are working to get the civilian society out of its marginal status so that it may participate through its union and political organizations in major cultural,

political, social, and economic goals that enthuse the people and the youth, prompting them to contribute to the process of change. This is with respect to the democratic battle. In the last regime, however, we were not satisfied with resisting tyranny or raising slogans of freedoms and democracy, very important slogans which, to the Tunisian people as a whole, almost became a matter of destiny. But we also put forth, in the ninth conference in particular, a set of political, economic, social and cultural goals, on which the ninth conference presented theses that unfortunately did not receive the adequate acknowledgment that they deserved, especially since the press at that time was restricted and always threatened.

Today we stand on the side of the democratic battle, waging a progressive battle which is associated with it. When we undertook this battle in the early days, a new phenomenon appeared for the first time in Tunisia's modern history, namely the misguided attack the imams waged against the Tunisian Communist Party, which degenerated into charges of unbelief, assaults, indictments, and other unprecedented action, while our position on religion is very clear and has been expressed numerous times, during the conference in particular, saying that we are not an atheistic party nor are we an anti-religion party. Rather, we struggle for those things that benefit the workers and the people. We do not accuse all imams and all religious leaders, but we do believe that there is an active minority that is trying to cause sedition. We have noted that some imams refused to continue the crusade when they became aware that the whole operation was fraudulent and fallacious.

We feel now the presence of a design being fomented by invisible hands, using religion and non-religious matters for distortion—as though the status the communist party occupies in the ideological, political, and social arena, as well as the future horizons that have opened to it in the wake of all these experiences the people have gone through, the ideological and political capital the Tunisian Communist Party now enjoys, and the experiences it has gained throughout its long history, and even its constant diligence to overcome its mistakes and negative practices—brings fear to the hearts of some people who have tried to use undemocratic and uncivilized tactics to distort the party's image and scare people through religion. The reason is that when we visited popular areas in Tunis or villages along the shoreline and mines during the by-elections, the party found sympathy and a willingness on the part of the people to get close to it. Furthermore, this campaign is, among other things, an attempt to divert attention from the true economic and social problems and to distract people with marginal issues.

Unfortunately, some self-styled leftist elements are taking part in this campaign against the party on wrong and fraudulent grounds that had much to do with the destruction of the left's positions in universities and the country. They believe that by weakening the Tunisian

Communist Party they can gain strength for themselves, but the truth is that, given the Tunisian Communist Party's roots, status, and positions, this action gives strength to the right rather than the left. This point has been substantiated by experience.

We believe that these backward leftist concepts that are trying in the name of the revolution to destroy a deeply-rooted revolutionary party, the Tunisian Communist Party, are destructive to the left and the progressive movement, and we will not allow them to persist in their destruction. Giving strength to the Communist Party is the greatest guarantee of democracy and progressiveness and the surest way to fulfill the demands of the masses.

Another side of the battle concerns the issue of development in general, a crucial issue both in terms of its urgency in relation to the conditions of workers, laborers, and the popular masses in their daily lives, and in terms of the high cost of living, low wages, and unemployment. This is not to mention the drought that is causing concern for the fate of agriculture this year. In this developmental battle as well, we also have a widespread ideology that has turned into a fad, namely liberalism. With due respect to all ideologies, we believe that this liberalism, especially when it presents itself as a solution to all the country's problems, is a fallacious, fraudulent, and dangerous solution. As far as we are concerned, the alternative to liberalism cannot be the experience of the sixties or the notion that the government should become all things. This is no alternative. We have already explained these matters time and time again. The Algerian events have demonstrated that freedom and democracy are necessary for developing countries and that those who renounce democracy and freedoms, renounce, in effect, the interests of the people. There are attempts being made to offer false lessons drawn from the Algerian events that socialism leads to these kinds of consequences. We contend that Algeria did not have socialism; it had capitalism hiding behind the state. It is not a matter of a government sector and a private sector, for the government sector has malfeasance and the private sector has malfeasance, and we are working for a progressive alternative, drawing lessons from all experiences, be they progressive or capitalist.

Within the sphere of these developments and conditions lies the national covenant issue. I would like to say that we accepted the idea from day one, but also waged a battle from day one to shape this idea in a positive manner. In the TV forum, we underscored our refusal to bring back the old national unity, for this would undermine the multilateral system and union independence and would be merely a consensus behind the government. This is what I strongly objected to. We also emphasized that this covenant should not have a programmatic format as though it were a government program. We do not approve of all parts of the government program, and have asked that the covenant include a set of intrinsic principles which, at this historic point in the life of the country, can bring the same kind of unanimity generated

by the 7 November principles. This is provided that such unanimity would not be detrimental to the multilateral system and union independence and the right to democratic opposition and criticism. For our analysis of the situation leads us to believe that the best support for the democratic process is the ability to exercise serious criticism and the best support for the 7 November principles is the exercise of democratic opposition. For included in the democratic principles is the preservation, not the obliteration, of the democratic opposition's role.

We submitted candid observations concerning party ideological concepts that should not be included in the covenant, such as social hierarchies and several other observations. We felt that the wording of the draft covenant was positive on the whole, notwithstanding certain ambiguities and flaws. We believe that the wording has room for improvement and modifications.

The observations we have submitted and those we plan to submit are based on the premise that we take the covenant seriously and that we are not posturing. Therefore, we submit these observations in order to raise the covenant's wording to the level of its historic importance, meaning some concessions in certain matters. For we do not expect our program to be included in the covenant as we do not want the other parties to include their programs. The covenant has many participants, and our agreement to take part in it denotes our acceptance of the minimum and of the common denominators we take as principles on which we agree with others.

The importance of the covenant lies not in the notion that political movements and organizations should proceed with it—for this is relatively easy—but in whether it provides Tunisian workers, farmers, and young people a vehicle for expressing their major goals and high-minded principles that enrapture and excite them.

We also have observations on the issues of identity which must be made clear and must be oriented toward the future. It must also get rid of the tendency to extol the past in its timeworn and simpleminded forms. We insist that it have a progressive, futuristic, and rational tinge, things that must be firmly implanted. The same thing goes for matters related to symbols, such as the caravan, the olive tree, and others. We have proposed the addition of "veracity" as one of the symbols that have played a role as well, and the addition of the term "renouncing charges of unbelief" to the article pertaining to mosques, etc.

We have tried in these meetings to be the voice of labor and the voice of the people and the masses, and we brought up the matter of demands and union independence.

Regarding the elections, we recall that the Central Committee approved the principle of participation in by-elections without making a final decision. We approved this principle based on the clarifications which the

president offered, namely that these by-elections be a phase by themselves with all the prerequisites and conditions of credibility, so that it may be a positive phase. Hence, the Central Committee's demands in its radio and TV campaign before, not just during, the elections, in addition to several demands pertaining to the electoral law and the polls. Of all the demands, only one thing has been fulfilled: an emergency review of the electoral ticket. This process, however, took place without adequate publicity to raise people's awareness. Likewise, we refuse to have these elections as an experiment because we have had enough electoral experiments! In the meantime, however, by-elections have become intertwined with the general elections scheduled for January 1989, thus taking away from their credibility. That is why we are raising the matter of reviewing the by-elections issue in the interest of electoral credibility in general. With regard to general elections, we demand that all prerequisites be made available to them, including the electoral law which includes many negatives and dangers to the elections themselves, hence the need to review the whole electoral process. These are the issues I wanted to raise, and I wanted to remind you that we are headed for a period of important activity following last summer's activities, those of the youth in particular. We have the second AL-TARIQ AL-JADID festival coming up, which we will try to render a success. During the meeting, practical details will be put forward. We must intensify our action, for there are gaps in certain aspects of organization and political and ideological action that must be redressed so that the party may perform its role under the best of circumstances.

## UNITED ARAB EMIRATES

**Customs Department Provides 1988 Trade Statistics**  
**44000137 Abu Dhabi EMIRATES NEWS in English**  
**21 Nov 88 p 3**

[Text] Abu Dhabi: The increase in total foreign trade of the Emirate of Abu Dhabi recorded over recent months continued during October, according to figures issued by the Customs Department, with rises in all sectors, imports, re-exports and exports, i.e. comparison with the same month last year.

Total imports rose by 3.7 percent in value, from Dh 459,430,239 to Dh 476,379,000, re-exports leapt by 46.9 percent, from Dh 112,715,796 to Dh 165,555,194, and exports rose by a healthy 20.6 percent, from Dh 59,055,658 to Dh 71,223,012, the Department said.

One indicator of the growing success of the local manufacturing sector can be culled from the export figures, which saw the export of chemicals rise from Dh 5.2 million to Dh 12.3 million, manufactured goods classified by material rise from Dh 27.97 million to Dh 29.5 million, and miscellaneous manufactured materials rise from Dh 6.9 million to Dh 12.9 million.

Top source of imports last month was the United States, with goods worth Dh 70,586,260 compared to Dh 64,025,545 in the same month last year. Japan exported goods worth Dh 55,799,191, compared to Dh 45,068,260 last year, while Britain exported goods last month worth Dh 52,500,535, compared to Dh 58,779,629 in October last year. West Germany was in fourth place, with Dh 38,051,744, down from Dh 55,672,357.

The top Arab source of imports was Saudi Arabia, in fifth place, which saw its trade leap by 36.4 percent from Dh 27,494,533 to Dh 37,499,319. Also jumping sharply, were Turkey, in sixth place, whose exports to the Emirate grew by 38.9 percent to Dh 21,860,509, and Lebanon, in seventh, up 37.4 percent to Dh 20,707,234.

The top five destinations for re-exports were all in the Gulf, with Saudi Arabia in first place, up from Dh 37,767,884 to Dh 50,519,356, followed by Qatar, up from Dh 27,485,098 to Dh 47,281,175. Third was Iraq, followed by Bahrain, Kuwait, Egypt, Lebanon and Jordan.

Saudi Arabia was also top destination for exports, taking goods worth Dh 40,655,053, up from Dh 26,707,986 again followed by Qatar, up from Dh 10,017,777 to Dh 16,290,604, then Iraq, Kuwait, North Yemen, Jordan, Bahrain, South Yemen and Oman. In tenth place was the only non-Arab country in the top ten, Turkey, with goods worth a mere Dh 257,656. In the same month last year, Turkey bought no goods at all from the Emirate.

The figures exclude trade in oil and gas, and certain Government purchases, including military material.

**Statistics Show Decline in 1988 Re-Exports**  
**44000135 Dubayy GULF NEWS in English**  
**11 Nov 88 p 12**

[Article by Kumar Raj]

[Text] Dubayy's re-exports dropped by 3.4 percent in value during the first half of 1988 over a similar period the previous year while the volume-term fall was a dramatic 47 percent.

A sharp fall in re-exports to Iran was the major cause for the negative figures despite the fact that overall re-exports to other major centres improved considerably.

The fall was mainly due to an enormous fall in re-exports of foodstuffs and other low value but voluminous items, in particular to Iran. Therefore, the overall volume-term fall matched that of the volume drop in re-exports to Iran.

Re-exports to Iran fell 60 percent in terms of value to Dh 333.4 million, from Dh 840.4 million during the first six months of 1987.

The volume-term fall was still steeper, by 82.5 percent, to 52,094 tonnes in the first half of 1988, down from 297,801 tonnes during a similar period last year.

Meanwhile, overall re-exports drifted to Dh2.656 billion from Dh2.75 billion and previous year, while the volume of re-exports were down at 301,192 tonnes compared with 567,233 tonnes during January-June 1987.

Compared to a similar period in 1986, re-exports rose sharply by 61 percent in terms of value and the volume increase was around 16 percent.

Another interesting development during the past two years is that Europe is also growing fast as major re-export destination from Dubayy. Growth in re-exports to Switzerland and West Germany,—both are among the top 10 re-export destinations—is of specific interest during this period.

In the first half of this year, re-exports to Switzerland almost trebled over a similar period two years ago while, it more than doubled to West Germany.

In the Gulf, Qatar emerged as a major re-export market for Dubayy, replacing Saudi Arabia for second place, posting a growth of 46 percent over the previous year. Kuwait, remained at the fourth place with re-exports to this country rising a substantial 69 percent.

Overall, the trend remained healthy but for the volatility in re-exports to Iran which is expected to stabilise soon.

Re-exports during June, however, fell sharply over the previous month, despite a modest recovery in flow of goods to Iran. Total re-exports fell to Dh 375.7 million from Dh 481.8 million in May and the volume dropped to 35,057 tonnes from 55,209 tonnes. But Iran picked up Dh 73.3 million worth of goods in June compared to Dh50.2 million the previous month.

During the first half of 1988, total imports rose 17.5 percent to Dh 10.908 billion, up from Dh 9.287 billion in January-June 1987. But volume-term imports fell to 2.281 million tonnes from 2.594 million tonnes during this period.

Even when compared with a similar period two years ago, the volume dropped by over 11 percent from 2.573 million tonnes during the first half of 1986 while value-term imports were up 27 percent from Dh 8.579 billion.

The drop in volume over the previous year was mainly due to a substantial fall in the import of food items, though this loss was compensated by increased imports of machinery, transport equipment and manufactured goods to boost the value-term imports.

Following are the import and re-export figures during the first half of 1988, 1987 and 1986 (in million of dirhams). Figures within brackets indicate ranking of last year.

	1988	1987	1986
<b>IMPORTS</b>			
Total imports:			
In value	10,908	9,287	8,579
In volume (million tonnes)	2.281	2.594	2.573
A few categories:			
Food items	1295.8	1419.6	1225.0
Manufactured goods classified by materials	2776.0	2180.8	2008.2
Machinery and transport	3015.0	2492.6	2338.6
Miscellaneous manufactured articles	2197.9	1735.2	1615.3
<b>RE-EXPORTS</b>			
Total re-exports:			
In value	2656.5	2750.3	1651.2
In volume (tonnes)	301,192	567,233	259,361
Top 10 Countries			
1. Iran	333.4	840.4	276.7
2. Qatar	256.7	175.5(3)	110.0(3)
3. Saudi Arabia	241.4	345.4(2)	225.6(2)
4. Kuwait	205.2	121.2	94.2
5. Switzerland	138.9	38.9(15)	44.3(11)
6. Bahrain	119.2	82.8(8)	69.2(7)
7. West Germany	117.2	95.4(6)	51.9(10)
8. India	97.7	78.4(9)	86.4(6)

	1988	1987	1986
9. United States	92.7	88.9(7)	92.8(5)
10. United Kingdom	84.6	99.7(5)	52.8(9)

Dubayy's imports and re-exports in June 1988 compared with a month ago and two months ago in (million of dirhams).

	June 1988	May 1988	June 1986
<b>IMPORTS</b>			
In value	1850.2	1940.9	1335.1
In volume (tonnes)	412,825	379,776	462,817
<b>RE-EXPORTS</b>			
Total re-exports:			
In value	375.7	481.8	252.9
In volume (tonnes)	35,057	55,209	36,486
<b>Top three countries</b>			
1. Iran	73.26	50.19(2)	48.96
2. Saudi Arabia	36.29	30.48(4)	31.51
3. Qatar	35.55	51.80(1)	14.85

## PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

**Article Describes Aspects of Fishing Industry**  
**44040089 Aden 14 UKTUBAR in Arabic**  
**28 Oct 88 pp 3-6**

[Article by 'Ali Ibn-Talib and Altaf Muhammad]

[Excerpts] Democratic Yemen has a long coastline that stretches for 1,550 km from Lahij Governorate overlooking Bab al-Mandab to al-Mahrah Governorate, where the coastline lies parallel to the Sultanate of Oman. Besides, it has the coastline of Socotra, 'Abd-al-Kuri, and Samhah and Darsah islands.

The waters of PDRY flow from the middle of the southern entrance to the Red Sea in the west to the Indian Ocean in the east. Because our country has a distinguished coastline, it has large quantities of fish and marine life. Some studies indicate that the production of fish and marine life in the Gulf of Aden is high: 6.6 tons of fish per square km of water.

Annual production of fish and marine life in PDRY is close to 100,000 tons. PDRY is thus the third largest producer of fish and marine life among Arab countries, after the Kingdom of Morocco and the Sultanate of Oman. It is the 60th largest fish producer in the world. [passage omitted]

### New Projects

The Third 5-Year Plan for Economic and Social Development allocated 25.8 million dinars for investment purposes in the fishing sector.

Except for the completion of the unfinished fishing port project in Aden, the plan allocates no funds to be invested in large projects. Most projects are aimed at the fishing cooperatives: the development of five fishing cooperatives in the western district and of two cooperatives in the eastern district. [Words missing]...distributed among the cooperatives. Besides, [funds are allocated for] studying and developing the inshore fishing activities of the government and cooperative sectors. There are plans to implement sensible fishing programs and to continue improving marketing efficiency. The plan includes projects to develop the fish canning industry, to continue building research centers, and to build a new institution for education and training.

When one reads the details of the plan, it becomes clear that the aim is to develop the broad base of production which lies in the cooperatives. The development of supplementary services, such as marketing, research, and training, would follow.

The projects of the plan are reviewed below:

1. Completing construction of a fishing port by 1988.
2. Construction of a fishing institute and development of five cooperatives.

The project is divided into two parts. The first involves construction of a fishing institute on al-'Ummal island where Yemenis can acquire the qualifications to work in various areas of the fishing industry. The second part involves the development of five fishing cooperatives on the country's western coast. These are the cooperatives of Fuqum, 'Imran, Ra's al-'Arah, Shaqra', and Bi'r 'Ali.

The project includes the construction of coastal facilities including refrigerators, ice factories, and ramps for refurbishing and repairing boats. The project will provide advanced methods of production, and it will train fishermen and make them qualified to maintain the means of production, offer services, and make the best use of modern fishing equipment.

The sum of 7,668,000 dinars has been allocated for the project. Financing was provided by the International Bank for Reconstruction and Development (IBRD) and the Arab Fund, with a contribution from the state.

### 3. The Improved al-Sunbuq Project

The aim of the project is to replace traditional fishing methods, which are used by the cooperatives, with more advanced methods that would increase production and reduce costs. After experiments on the (?improved al-Sunbuq project) are completed successfully, it is expected that the device will become commonplace in the cooperatives and its use will bring about a significant step forward in fishing cooperatives.

### 4. The Second Stage of the Oceanography Research Center Project

This project is an extension of the first one which was implemented in 1982. Its aim is to finish laying the groundwork for the research which is being conducted to develop the quality of productive activity in the fishing sector.

It has been determined that the project is to be built in the area that parallels Jabal al-Ghadir in Aden Governorate.

The project includes the construction of aquatic laboratories, the purchase of a coastal research vessel, and furnishing the research vessel, Ibn-Majid, with equipment and laboratories.

### 5. The Domestic Marketing Organization and Improvement Project

This project, which costs 63,000 dinars, is financed by the Food and Agriculture Organization of the United Nations (FAO), and its aim is to broaden the planning and accounting capabilities of employees of the National Organization for Marketing Fish. Enhancing these employees' capabilities for maintaining refrigeration equipment and handling and processing fish is another aim of the project.

### 6. A Project for Adopting Sensible Practices in the Fishing Industry

The aim of this project is to continue the effort which is being made to achieve comprehensive progress in fish cooperatives by improving the efficiency of fishing boats and introducing modern fishing methods and equipment.

### 7. A Plan To Purchase a Hydroplane

This is a new kind of hydroplane which will be purchased to strengthen the fleet of the Inshore Fishing Organization. The vessel, which costs 204,000 dinars, has new specifications regarding its capacity, its modern fishing gear, and its economic efficiency.

### 8. The Aquatic Research Center Project

This is one of the projects whose aim is to establish a Yemeni base where studies can be conducted on the possibility of raising and developing marine life. The project, which was built on the coast of al-Ghadir, consists of an administration building, a workshop-like building, hatcheries of cement and plastic for marine life, a small boat, and a number of annexes. The project, which was a gift from the Japanese government, was turned over to the Yemenis in December 1977.

### 9. Renovating and Replacing Fishing Refrigerators

The aim of the project is to maintain the refrigerators' storage capacity, to extend their useful life, to replace some of their components, and to prepare them for economically efficient operations. The project involves 800 refrigerators in the capital; one refrigerator in Bi'r 'Ali in Shabwah Governorate; the al-Mukalla refrigerator in Hadramawt Governorate; and the Qusay'ir refrigerator in Hadramawt Governorate. Thirteen communication devices have been provided and installed in the main refrigerators in the governorates.

### 10. A Project To Purchase Means of Transportation

This project primarily serves the fish cooperatives. Five vehicles were purchased in 1987, and these were distributed to the cooperatives of Ahwar, Socotra, Qusay'ir, al-Dis, and Hami. One vehicle was purchased for the Inshore Fishing Organization.

### 11. A Project To Study the Development of Two Cooperatives

A Soviet team completed the first survey according to which the two cooperatives of al-Shihr and Qusay'ir were designated sites for the project. Soviet experts are conducting technical and economic studies of the proposed construction for this project on land and off-shore.

### 12. A Project To Complete [Construction of] Storage and Cooling Refrigerators

### 13. Projects for Fishing Cooperatives

These projects which are being implemented to meet the cooperatives' pressing and urgent needs are distributed as follows:

- Construction of three receiving centers in Burum, al-Dis, and Hami in Hadramawt Governorate.
- Construction of a cooling plant and areas for drying fish on the island of Socotra.
- Two areas for drying fish have been built in Hadiboh and Qulansiyah.
- Construction of a cooling plant and areas for drying fish in al-Mahrah Governorate. The two areas are to be designated for the districts of Sayhut and Qishn.

### 14. A Project To Purchase Fiberglass Boats

Twenty-six fiberglass boats were built in 1987 for the fishing cooperatives at a cost of 31,000 dinars. The boats were distributed to the following cooperatives: Shaqra', Ahwar, Bi'r 'Ali, al-Mukalla, al-Shihr, al-Dis, Qusay'ir, al-Ghaydah, Sayhut, and Qishn.

### 15. A Project To Modernize the Fish Canning Plant in Shaqra'

The modernization operation was completed in 1987. The sum of 50,000 dinars was allocated to modernize machines and equipment.

### 16. A Project To Build Two Warehouses for Two Cooperatives in the Governorates of Hadramawt and al-Mahrah

### 17. A Project To Study the Sources of Fish Resources and To Develop Inshore Fishing

### 18. A Project To Study the Development of the Fishing Sector until the Year 2000.

### 19. A Project To Study the Construction of a Fishing Complex on the Island of Socotra.

Although all scientific studies on marine life reserves which were conducted in PDRY's waters by foreign research organizations that specialize in this field concur that these reserves are enormous, the studies do not agree in their estimates of how large reserves of each variety of marine life are.

Some studies indicated that harvesting approximately 320,000 tons of fish a year was possible, and yet no more than 100,000 tons of fish a year are actually harvested. These two figures indicate, on the one hand, that we are taking advantage of less than one third of the fish resources which are available to us.

Actually, all fishing activities are carried out to fulfill two main purposes. First, fish are caught for citizens' consumption and to provide the raw materials which are

needed for the fish canning industry. Second, commercial marine life is caught so that it can be sold in foreign markets. Only limited varieties of fish or marine life are caught: what is caught for local consumption are the varieties of fish which citizens want, and what is caught for sale abroad are the varieties of marine life which command high prices in world markets. This means that fishing activities are concentrated on certain varieties for reasons that are primarily economic.

### Fish Is Our Main Food

Fish are considered the primary source of animal protein for the people of PDRY. Average per capita fish consumption is between 23 and 25 kg of fish a year, whereas average annual per capita consumption worldwide is 14 kg.

According to consumption statistics in the country's markets, average annual consumption of fresh, refrigerated, and frozen fish is approximately 40,000 tons. That figure will undoubtedly be higher if we count the fish consumed by fishermen's families and the dried and salted fish consumed in rural areas that are far away from the coast. The figure for fish consumption will also be higher when we count the fish which are sold by individual fishermen far away from the market.

Meeting consumers' growing need for fish is the primary function of the fishing sector, and that function is fulfilled primarily by the fishing cooperatives and then by the Inshore Fishing Organization, which is subordinate to the Ministry of Fish Resources. The Inshore Fishing Organization is also active in catching shrimp (al-shurukh al-sakhri) which is exported. The Yemeni Fishing Organization is also entrusted with that task in emergencies, when shrimp becomes scarce in the markets.

The distribution and sale of fish in the country's markets is carried out by the National Organization for Marketing Fish. Cooperatives and the private sector participate in that function also.

Certain kinds of fish are very popular with the people: kingfish (dirik); yellowfin tuna (al-thamad); bluefin tuna (zaynub); skipjack tuna (haqibah); and spotted tuna (sharwa). Indian mackerel (al-baghah) is also popular, especially if it is fresh. Al-Jahsh fish is also popular. All the former varieties are found near the surface, but al-Jahsh fish are at deep sea levels.

It has been noticed that when the former surface fish varieties are available, demand grows and more fish is sold. And yet the popularity of a large number of surface and deep sea fish varies greatly. This is primarily due to people's eating habits or to the so-called mode of consumption. It is that which determines the popularity of one rather than another kind of fish.

Fishermen have been bringing in primarily these surface fish into the markets because they do most of their fishing near the surface. Deep sea fish found their way

into the markets in the early seventies when commercial fishing fleets came on the scene. These fishing vessels rely on trawl nets which are towed on the bottom of the sea to catch cuttlefish, shrimp and, accidentally, deep sea fish.

The fish canning industry relies on the fish which are caught near the surface. These are mackerel, yellowfin tuna (al-thamad), and skipjack tuna. The price of canned tuna in particular is twice that of canned mackerel.

### Why Is Our Catch Limited?

Studies conducted by the Oceanography Center about our fish resources indicate that it would be possible to catch 159,000 tons of small surface fish. These are 'aydah (sardines), al-wazaf, all kinds of al-jazb, al-batabit (mackerel), and al-baghah (Indian mackerel). Al-batabit make up 10 percent of the catch, and that entire amount is utilized by the Soviet fleet which supplies the canneries with part of that amount. The remaining quantity of fish which is not utilized is 72 percent, and sardines only make up 58 percent of that.

The same source states that it would be possible to catch 28,000 tons of large surface fish: a variety of tuna fish, al-faras, al-dirik, large surface al-bayd, al-'uqman, and al-lakhm. But 57 percent of this amount is not utilized, and 28 percent of that is tuna fish. With regard to the desirable kinds of fish, we can say that it is possible to catch 9,000 tons of tuna fish a year. And yet, less than one third of that amount is caught. Although it is possible to catch 3,000 tons of al-dirik, only 1,000 tons of this fish, or one third the amount, is caught.

The question that emerges here is this: Why aren't we making use of the quantities of fish which we can catch?

There are in fact large quantities of small surface fish which are not utilized because consumer demand for al-'aydah sardines and al-wazaf is limited. People stay away from al-jazb because of its strong odor. That leaves al-baghah which consumers prefer to have fresh. What is most important is that because their fishing gear is antiquated, fishing cooperatives are not able to increase their catch of these varieties of large surface fish, particularly tuna and al-dirik, which are found in the Gulf of Aden by accident when they spawn. Cooperatives catch the large varieties of fish along the coast of Socotra Island and al-Mahrah Governorate, which are close to the original habitat of those fish in the Arabian Sea. The open waters of the Arabian Sea attract ocean-going vessels, especially Japanese ones, which catch and can the tuna. It would be possible to increase the catch of these two varieties of fish if modern fishing gear for the high seas becomes available to the cooperatives of al-Mahrah Governorate and Socotra Island, or if vessels belonging to the Yemeni Fishing Organization are designated for that purpose.

### Marine Life Brings in Hard Currency

When we mention the term, marine life, we are using a general term to refer to fish as well as other creatures living in a marine environment.

The marine life we are referring to is very popular in some world markets where it is sold at high prices. Thus, production of such marine life is primarily commercial. These varieties of marine life which are found in our territorial waters and which we catch commercially represent more than 60 percent of the country's exports. This means their economic significance in determining the country's balance of trade is considerable. We will present these varieties of marine life along with information about them and their production.

### Al-Banjiz (cuttlefish)

Al-habbar is the Arabic name of the marine creature we call al-banjiz. This creature got its Arabic name because it releases an ink-like substance into the water when it senses danger.

Cuttlefish is a marine creature that belongs to the species Cephalopoda, which includes the octopus and squid (or harika and yarika, as they are known locally). It is an invertebrate, but it has a round plate inside its body to maintain its posture. There are nine kinds of cuttlefish in the country's waters, but only one of them is found in commercial quantities. It is the kind known as pharaonic cuttlefish.

Cuttlefish can be found in the western area, especially in al-Mahrah Governorate, north and west of Ra's Fartak, in waters that are between 19 and 100 meters deep. It is between 7.5 and 42 cm long, and it weighs between 50 and 4,850 grams.

Cuttlefish was the first fish resource to be discovered in 1966 by Nichiro Gyogyo, a Japanese firm, which started using the fish commercially in 1967. For several years cuttlefish continued to be the only marine resource that provided hard currency. Even after other more valuable resources were discovered, cuttlefish continued to be the largest contributor to the country's hard currency because of its high productivity.

Traditional markets for cuttlefish are primarily Japan followed by Italy. The average price per ton is approximately \$2,100.

Besides the fishing vessels that belong to the Nichiro Gyogyo Company, local fishing vessels and vessels belonging to the joint Yemeni, Soviet mission became engaged in fishing in 1972. In 1978 the Japanese Taiyo Fishery Company embarked upon the production of cuttlefish. Then Soviet vessels became involved in catching this creature for PDRY in return for permission to catch deep sea fish.

In 1976 the organization purchased eight vessels: three old ones from the Nichiro Gyogyo Company and five new Japanese boats. It also purchased two Chinese boats and thus had a total of ten boats, all of which were used as the organization's vessels in the cuttlefish fishing season. That was a record year for cuttlefish production. For the first and last time 15,548 tons of cuttlefish were produced. It was extraordinary and quite astonishing. I re-examined the list of facts on cuttlefish, and the information I have affirms that in the same year the navigating crew in eight out of the ten vessels were Japanese. The Nichiro Gyogyo Company was responsible for 69 percent of that increase in productivity, and the rest of the increase was attributed to the vessels of the Yemeni Fishing Organization and the joint Yemeni-Soviet mission. The second surge in production, and that too was not repeated, came in the following year, in 1977. The Nichiro Gyogyo Company was responsible for that too.

In 1981 approximately 35 fishing vessels were operating in the area where cuttlefish was being caught. Their capacity was between 2,000 and 147 tons. Of these vessels 21 belonged to the Yemeni Fishing Organization. All these boats and those of the Yemeni-Soviet mission are average and small size boats, but those operated by the Nichiro Gyogyo and Taiyo Fishery companies are large vessels. That year was the worst year for production, and the two Japanese companies withdrew their vessels. But in the following year, in 1981, there was another sharp increase in production: production rose to 12,400 tons.

To avoid getting bogged down in details, a few facts must be stated for the record.

1. cuttlefish has a short life cycle. Most females live no more than 1 year, expiring after laying their eggs. Males live up to 3 years.

2. The area where cuttlefish can be found near Ra's Fartak is an area of limited space and length. Anyone who saw the fishing vessels in that area will most certainly have a sense of the consequences of having all these vessels in that area. Had that area been made of iron and steel instead of being a marine environment, the consequences of having all those vessels there would have been felt.

3. Increasing the number of vessels in the area and maintaining at the same time a certain volume of production means that operations are less efficient. It means that more effort is being spent to catch the same amount of fish which can be caught more efficiently by fewer vessels.

4. In the first half of the eighties it was noticed that most of the fish that were produced were small in size. And that means that the number of small cuttlefish which

were caught had doubled but that neither the weight nor the value of the catch had increased. The consequences of that situation are grave for both propagation and fishing.

Information from the Center of Oceanography indicates there have been few environmental changes, one of which is a drop in the temperature of the environment where cuttlefish live. Since cuttlefish is a marine creature which is not able to adjust the temperature as most land creatures can, it can either leave that environment to seek other locations where the temperatures are more suitable, or it can die. In 1987 fishermen were allowed to catch 5,000 tons of cuttlefish. This year they were allowed to catch 2,500 tons.

#### Deep Sea Shrimp

Shurukh is the local name for what in Arabic is called rubyan [shrimp]. It is an arthropod marine creature from which this kind of crustacean is descended.

Schools of this marine creature can be found primarily in the waters of al-Mahrah Governorate where the water is between 200 and 800 meters deep. They can also be found off the shores of Hadramawt Governorate and the island of Socotra.

Shrimp, which is considered a relatively long-lived creature, has a life span that averages between 5 and 7 years.

Its use as a commercial resource was started in 1971 by the fishing vessels which belong to the joint Yemeni-Soviet mission.

These vessels have now been joined by those of the Yemeni Fishing Organization in catching shrimp, which is considered an important commercial marine resource, selling for \$5,000 a ton.

Studies indicated that approximately 200 tons of deep sea shrimp may be caught without damaging reserves.

Production figures, however, indicate the extent to which this resource was misused during the seventies. It was that misuse which led to the sharp decline in shrimp production which started in 1982. Production rose the following year, but the decline continued in subsequent years. By 1984 and 1985 there were no production figures for the national fleet.

It is worth noting that the Yemeni Soviet mission was responsible for most of the production. And that means that the national fleet's vessels continued to operate at a substantial loss because of inefficient operations.

The fact that production rates are higher than allowable does not constitute improper use of this resource. But the invisible danger lurking in the figures is that egg-carrying females are caught indiscriminately along with other fish. Each female carries hundreds of thousands of eggs,

very few of which escape the natural dangers of their environment. When egg-carrying females are caught, the reserve supply is denied an opportunity to renew itself. And in the case of shrimp that process is slow to begin with because of the creature's long life cycle. One likely outcome of this situation may be the scarcity of large sizes of shrimp.

#### (?Rock) Shrimp

(?Rock) shrimp is a creature that belongs to the same species which deep sea shrimp belongs to, but it differs from it in one respect: its life cycle is longer: over 20 years during which the creature continues to grow.

This kind of shrimp can be found in shallow waters, between 1 and 90 meters off the rocky beaches in the governorates of Hadramawt and al-Mahrah and the island of Socotra. This kind of shrimp is caught by the Inshore Fishing Organization and by fishing cooperatives using nets and box traps [locally called] al-sakhawi.

This animal is considered the country's most valuable fish resource, carrying a price tag of more than \$1,700 per ton. The rock shrimp we produce is popular in world markets. But this significant marine resource is not being utilized properly. In the past 5 years the catch rates were double those of previous years. When the figures set by the Center of Oceanography are checked, one finds that the estimated allowable quantity of production is 700 tons, but the quantity of fish which was actually caught in 1987 was 959 tons: 259 tons more than the allowable. It is the rapidly growing increase in production that may explain to us why large shrimp are becoming extinct.

It seems now that the Ministry of Fish Resources is about to approve the use of iron traps, (al-sakhawi) instead of nets to catch shrimp. The use of traps makes it possible for fishermen to return the egg-carrying females back into the waters. It also reduces damage to production since fish which get caught in the net become an easy prey for some other kinds of fish. In iron traps, the fish are unhurt and unimpaired, and they have an opportunity to defend themselves.

#### Prawns

Al-Zanjah, which are known in Arabic as jarad al-bahr [prawns], can be found in five main commercial varieties in the waters of PDRY. Like shrimp, red prawns can be found in waters that are between 100 and 800 meters deep. And that explains why shrimp are caught along with prawns when nets are dragged over the bottom of the sea.

So far no serious thought is being given to utilizing this marine resource because its prices are low, compared with prices for the main kinds of marine life. Besides, prawn fishing operations require special techniques, and

we don't have a large commercial reserve of prawns. That is why the ministry made preparations years ago for a project to raise prawns; the aim of that project is to increase their numbers.

#### Shark Fins

The shark's gristly fins, once they are removed and dried, become a very popular commodity in the markets of Singapore and Japan, commanding high prices that are second only to rocky shrimp. The average price per ton is \$15,000. This year fishermen started following a new method for removing the fins: no meat is removed with the fins, and that doubles the value of a ton of shark fins.

#### Sea Cucumbers

Sea cucumbers are marine creatures that live in shallow waters between one and five meters deep. This resource was utilized in the fifties and sixties, especially off the shores of Aden Governorate. In 1981 the Inshore Fishing Organization resumed the utilization of this resource. Interest in catching this creature is due to the high prices it commands in world markets. The approximate price per ton is about \$8,500. This animal is caught by hand, and that means that no fishing gear is needed.

#### Hadika and Yarika [octopus and squid]

These are forms of marine life, known as al-'abidaj, that belong to the Cephalopoda species. They are caught accidentally in the same areas where cuttlefish are caught, and they are also sold in the same markets.

There are good reserve quantities of several deep sea fish varieties, which are caught by accident during trawl net fishing operations to catch prawns and shrimp. Low prices, about \$300 per ton, may be the main reason why no operations are carried out specifically to catch those varieties, among which are al-hamak, al-barm, al-kamal, al-humlan and al-jidb.

#### The Fishing Fleet Is the Backbone of the Yemeni Fishing Organization.

The Yemeni Fishing Organization was founded early in 1971. At that time it was called the Department of Major Units, and it was subordinate to the General Authority for Fish Resources. It had three vessels: one had been inherited from colonial days, and it was called "Rizq al-Bahr" [Sea Bounty]; and two small Soviet-made vessels called "Fartak" and "Shamsan."

In 1986 the organization added 10 vessels to its fleet, and 3 of those were used vessels. At that time the organization was called the Department of Fishing.

In 1980 the Yemeni Fishing Organization was founded in accordance with Decree Number 10 for 1980 issued by the Council of Ministers. The organization, which is a

legal person, is administratively and financially independent, and it is directly subject to the minister. Its headquarters are located in Aden Governorate.

At the present time the organization has a fishing fleet that consists of 12 modern fishing vessels equipped with aft drift lines.

In its production activity the organization's aims are:

- To catch and process different kinds of commercial marine life to provide hard currency for the country.
- To acquire fishing vessels and assume responsibility for managing and operating them.
- To contribute to the effort of providing fish for the local market.

#### Economic Imbalance

For many years the organization had little effect on the volume of commercial marine life production and on efficient operations of the vessels, when compared with the effect that jointly owned or foreign companies had. There were two main reasons for that: production efficiency of the organization's vessels was poor, and management's operating efficiency was poor. The organization is responsible for this inefficiency, as well as the ministry and the state.

A review of the organization's annual financial records shows that during the past years its losses have been heavy and continuous.

The Year	The Losses
1982	2,117,000 dinars
1983	1,704,000 dinars
1984	1,535,000 dinars
1985	717,000 dinars
1986	1,306,000 dinars
1987	1,450,000 dinars

#### We Must Not Forget Economic Management for the Sake of Exports!

Despite the obvious imbalance in its economic makeup, it seems that the only reason for the organization's survival is the marine life which is caught for export. And that means that it costs us a great deal to get every dollar we earn.

The inherent failure of all subsidy attempts which dominated efforts to get the organization out of the financial condition it was in has to do with the organization's weak economic and financial capabilities. This weakness limits many possibilities for development, and it also limits the organization's power to produce and confront administrative responsibilities.

There are signs that the organization will be standing on its own two feet. One can see that the organization's leaders are aware of the inherent failures of the organization's financial situation, and both the ministry and the government are interested in dealing with the organization's main problems.

#### The Fleet's Problems

1. The figures showed that the Japanese-made vessel, "Sirah," provides over one fourth of annual production. The Japanese-made vessel, "Shaqrab," is quite efficient, compared with other vessels. The former vessel is the largest in the fleet, but it has outlived its presumed productive life of 20 years. That vessel is now 22 years old. The second vessel has been operational for 12 years and has not undergone a complete overhaul even though such an operation is supposed to be performed every 5 or 6 years.

2. Since 1977 only (?SRTM) Soviet vessels were added to the fleet. This was done to standardize the vessels of the fleet and reduce maintenance problems, but it was done primarily to facilitate financing operations for the vessels since growing Soviet-Yemeni relations were making it possible to incorporate those financing arrangements in the central agreements which were made between the two governments. Problems with vessels of this kind may be limited to the following:

- High fuel consumption
- The absence of a water filtering system
- The unavailability of spare parts.

Most of the production inefficiency of these vessels became evident when fuel prices rose and the production season was poor.

As far as we know, that problem has been recognized by the Soviets. It seems they are manufacturing modern fishing vessels that are characterized by their high productivity. One such vessel is operating in our waters on an experimental basis. The Soviets have also recognized that the Soviet Bromex Export Company, which occasionally furnishes spare parts other than those which were requested, does not provide the spare parts which are requested on a regular basis. That problem was discussed during the joint meetings.

Each vessel is supposed to undergo a complete overhaul every 5 or 6 years in the country where it was manufactured. This should be done to preserve the productive life of the vessel. So far, seven vessels have not had an overhaul according to schedule. In the last session for Yemeni and Soviet ministers, which was held in 1987, a decision was made that 7 vessels would be sent in 1988, 1989, and 1990 for this comprehensive maintenance. The two ports of Nashtun and al-Mukalla are unable to offer services. The port of Nashtun does not provide the fresh water it is supposed to provide to vessels in the

fishing area. Vessels are supplied with fuel by tanker trucks which do not run on holidays, and that causes each vessel to lose a number of days.

### High Operating Costs

Two important problems are limiting the organization's economic efficiency, and both the ministry and the government have the solution to them. These two problems can be reviewed in two points:

1. One ton of fuel is sold to the organization for 127.25 dinars. At the same time the National Oil Company sells one ton of fuel for 59.5 dinars to other vessels, including those of our commercial fleet, foreign vessels, and vessels that belong to the joint Soviet Yemeni mission, which are also engaged in fishing. The price paid by the organization is 114 percent higher than that charged by the National Oil Company. That expense is borne by the organization even though it operates to produce marine life for export. And it is that which qualifies it for this privilege.

High fuel costs constitute an important factor in increasing the organization's deficit. Fuel expenditures make up approximately 30 percent of the vessels' direct operating costs.

2. Wear and tear consumes a large amount of the organization's revenues. Each vessel is depreciated at the rate of seven percent of its value. Since the productive life of a vessel is 20 years, adjusting the depreciation rate to 5 percent would save the organization approximately two thirds of the paid amounts.

### Efficient Management

The fishing fleet is considered the backbone of the organization and its production activity. It is the principal ingredient in the organization's business, and it is also the principal ingredient for the goals which the organization was established to achieve.

To avoid getting into too many details, let's first point out the fact that the fleet is made up of modern fishing vessels which can only be operated by qualified, knowledgeable professionals. Managers are supposed to be competent enough to handle the requirements of this professional and economic activity, and they must be capable of managing the fleet efficiently. It has been noticed that existing management still lags behind the standard which managers are supposed to have to manage a modern shipping fleet. The availability of such managers is a necessary condition that is required to get the organization out of its faltering condition. The only way to do that is to devise a plan to develop managers by giving them the training and qualifications they need and to rid the organization of administrative red tape.

### The Organization's Working Fleet

Number	Name of Vessel	Year Manufactured	Year Purchased	Manufacturing Country	Total Tonnage in Tons	Planned Maintenance	Performed Maintenance
1	Sirah	1966	1976	Japan	1,491	2	2
2	Shaqr'a	1975	1976	Japan	330	2	—
3	Nashtun	1977	1977	the Soviet Union	1,075	2	—
4	Qusay'ir	1977	1977	the Soviet Union	1,075	2	—
5	Fartak	1978	1979	the Soviet Union	1,075	1	—
6	Shamsan	1978	1979	the Soviet Union	1,075	2	—
7	Burum	1979	1980	the Soviet Union	1,075	1	—
8	October Star	1980	1981	the Soviet Union	1,075	1	—
9	Radfan	1980	1981	the Soviet Union	1,075	1	—
10	Maqatin	1981	1982		1,075	1	—
11	'Umran	1983	1984		1,075	1	—
12	al-Sadaqah						

A new vessel from the Soviet Union will arrive by the end of the year.

### The National Marketing Organization: Caught between Producers and Consumers

The National Marketing Organization was founded at the end of 1979 by Decree Number nine for 1979, issued by the Council of Ministers. After the decree was issued the three former departments, the Domestic Marketing Department, the National Refrigeration Department, and the Foreign Sales Division, were merged.

The merger was a logical response to the similarity between the marketing functions which were carried out by the previous departments. It was a logical response to the fact that these functions complemented each other.

In accordance with the Council of Ministers' aforementioned decree and with ministerial Decree Number 20 for 1984 regarding the organization's bylaws, the objectives of the organization are as follows:

1. To receive and purchase fish and all marine life caught by fishing organizations, authorities and companies in accordance with agreements made between it and these parties.

2. To process, preserve and store fish and all marine life.
3. To market fish and all marine life in the country and abroad.
4. To offer refrigeration services for the fish which is being marketed, and to offer those services to other agencies which request them.
5. To produce, sell, and store ice.

### **Receiving and Marketing**

This organization has been the center for fish marketing activities in the country and abroad since the seventies. This strong centralization had negative effects which resulted from the rapid expansion in establishing centers for receiving, selling, and refrigerating fish in various areas of the country. This was done despite the fact that infrastructures were weak, geographic distances were vast, population density was low, and production was seasonal in nature. And that, in turn, affected the organization's performance in marketing products inside the country.

The organization now has 25 receiving centers where it receives fish from fishermen. These receiving centers which are located all along the country's coast line are distributed as follows:

Three centers in Aden Governorate. Three centers in Lahij Governorate. Five centers in Abyan Governorate. Two centers in Shabwah Governorate. Five centers in Hadramawt Governorate. Seven centers in al-Mahrah Governorate.

Because of their numbers, the distances which separate them, and the large number of employees they have, these centers constitute a burden on the organization. It is expected that the coastal services project, which is now under construction in a number of cooperatives, will make those centers conduct the marketing operation themselves.

Besides, the organization has a transportation fleet of 46 trucks to transport the fish. These trucks can transport over 160 tons of fish a day, even though no more than 20 tons of fish are received daily.

The organization's present total storage capacity is 5,365 tons. This storage capacity is distributed among the governorates as follows:

Aden Governorate: 3,345 tons Lahij Governorate: 55 tons Abyan Governorate: 75 tons Shabwah Governorate: 95 tons Hadramawt Governorate: 995 tons Al-Mahrah Governorate: 800 tons

This large storage capacity will provide the organization with the capability for storing a total of 35,000 tons of refrigerated and frozen fish a year. This assumes that

stored goods are turned over seven times a year, considering that fish is a popular commodity and can be sold quickly. This large storage capacity increased in that manner after the fishing refrigerator for the port of Aden, which has a capacity of 2,000 tons, was received. But "principal" technical flaws in that refrigerator became evident, and these flaws have to be corrected. What is unusual is that plans to increase storage capacity were completed after several refrigerators were disposed of because there was a surplus in storage capacity and the extra storage capacity was not economically feasible. How can this be when the new refrigerator is worth 5 million dinars? The refrigerators which the organization disposed of are those in al-Mu'allla, 1,000 tons; in Lab'us, 20 tons; and in Rusud, 15 tons. These refrigerators were sold to the General Meat Organization. The refrigerators in al-Banjasar, 500 tons; and in Saywun were turned over to the Ministry of Defense.

The process of having the party and the state review the organization's policies and the objectives of its marketing activity led to two decrees which were issued by the Political Bureau and the Council of Ministers. The two decrees required that marketing be conducted via three channels: government agencies, cooperative organizations, and private firms. The decrees required the organization to concentrate its activities on the wholesale trade. These are the measures which yielded favorable results for consumers and fishermen. These measures are limiting the organization's major burdens.

### **Toward the Development of Marketing**

Transporting, handling, processing, and storing fish are important stages of the marketing process. They have a definite effect on the quality of the fish. Because these stages are still accompanied by major shortcomings, it can be said that the marketing stage is still the weakest part of the organization's activity. On the other hand, one cannot view the handling and processing functions as exclusively the organization's when they are, in fact, parts of one continuous operation which begins when the fish are caught and ends when the fish are sold. The fresh fish which are delivered to the organization by the cooperatives are discarded at a rate that is not proportionate to their nature and their likelihood for spoilage. From the time they are caught until they reach consumers, this fish is eight times more likely to spoil than other fish. That reduces the quality of the fish and increases the spoilage ratio.

This was mentioned in a report on the organization's conditions which was prepared by the ministry. The report truthfully points out the negative aspect which affects the quality of the fish before they reach consumers.

It should be noted that as far as we can tell the ministry and its leaders are giving this matter their attention. The ministry issued regulations governing the handling, processing and storing of fish, requiring that these general

instructions be followed. The ministry also distributed "how-to" pamphlets dealing with the same matters. But that was done on a limited basis. The ministry's attention to this matter is also evident in the new measures which are now being used in the organization's warehouses where fish are preserved in latticed boxes or on special shelves. But as we noticed, workers still handle

the fish as though the fish were pieces of stone. Other than that, the Third 5-Year Plan involves building a number of model sales outlets. This is a goal for which the organization must strive. It should start with such outlets in the capitals of governorates and provinces, but that requires upgrading every part of the marketing process.

**Sales of Fresh, Refrigerated, and Frozen Fish in the Country's Governorates**

Year	Aden	Lahij	Abyan	Shabwah	Hadramawt	al-Mahrah
1980	3,780	964	1,694	235	1,402	201
1981	4,915	1,088	1,284	273	1,210	12
1984	3,894	964	1,449	186	958	39
1985	4,458	1,053	1,498	216	1,348	180
1986	4,005	1,086	1,185	252	1,497	138
1987	4,535	1,485	1,666	453	1,390	234
half of 1988	2,250	730	816	76	914	125

INDIA

Tiwari Interviewed on His Administration,  
Viewpoint  
46240005 Calcutta RAVIVAR in Hindi  
8 Oct 88 pp 37-38

[Interview with Naryandutt Tiwari by Qurban Ali; date and place not given]

[Text] [Qurban Ali] Is it correct that this time you have been dispatched to Uttar Pradesh against your own wishes?

[Naryandutt Tiwari] Look! (long silence) A wish is an abstraction which cannot be defined. I cannot refer to the conversation I had with the high command and with my leader. All I can say is that though I may well have been chosen in my absence, I am determined to carry out this responsibility cheerfully and thankfully and I will do my best to prove myself worthy of my party's confidence.

[Qurban Ali] This you did on orders of the high command, but what is your own wish?

[Naryandutt Tiwari] I have never had a desire of my own. My only goal is that I should have the strength to serve the country and I should keep on striving to the best of my ability. No one has an inalienable right to ministership or to chief ministership, whether in the center or in the states, nor has anyone a claim on it. This is merely an opportunity for service. I do not believe that the office of chief minister of Uttar Pradesh is in any way inferior to that of a central minister. Under the conditions prevailing in our country, devaluing the office of the chief minister of Uttar Pradesh in any way would be doing injustice to this office.

[Qurban Ali] You have been considered an expert in Uttar Pradesh politics, an efficient administrator and a decisive chief minister but this time it appears that you have not been able to function with determination and efficiency?

[Naryandutt Tiwari] I do not understand what is your standard of measuring this. To me this is a hint that I should try harder and do my work more expeditiously. I am doing as well as I can but if the people want me to be more active, I will try.

[Qurban Ali] Like last time, this time also, on becoming chief minister, you spoke of taking certain tough steps, but this has not materialized?

[Naryandutt Tiwari] What tough steps are there that I took before which I'm not taking? I am moving with the same speed. It has been just a couple of months and it has rained so hard. Although they may assert that it was

because of us, this time there will be a record harvest. Where else is work going on in the midst of rains? Give me an example of another state.

[Qurban Ali] How do you evaluate the previous chief minister's administration?

[Naryandutt Tiwari] I believe that he did his best.

[Qurban Ali] In his tenure, were there fewer problems or more?

[Naryandutt Tiwari] This evaluation about him has gone far enough. He tried to bring to completion the plans made in his time. We will also achieve the goal of our plans. After all, it is a Congress administration. Therefore why should I say something which is unwarranted.

[Qurban Ali] At the time of his departure, Virbahadur Singh had remarked that he was leaving after resolving all of the state's problems. What is your reaction?

[Naryandutt Tiwari] I do not have a complete copy of his statement. I cannot say what he said and what he did not say. It is very difficult for me to answer.

[Qurban Ali] Prominent among Uttar Pradesh's problems are communalism, Uttarakhand agitation, Babri Masjid—Ram's birthplace controversy and Tiket's farmers agitation. What are you doing to resolve these issues?

[Naryandutt Tiwari] Look, these are not the problems. Problems are those which cause these agitations. Had not the issue of electricity transformers not come up in Shamli, there would have been no agitation at that time. I have taken care of it. If there is an agitation, that is not because of us but due to those over whom we have no control. Whatever their demands are, they are agitating for those. Take the instance of agitation for Uttarakhand, to which you referred. Uttar Pradesh is now the backbone of the country's unity. Therefore the question is not so much of Uttarakhand as of Uttar Pradesh's partition. Under the present conditions of the country, Uttar Pradesh's integrity is vital to the country's stability. The hilly regions do have some problems which need to be taken care of and I am doing just that. I myself come from the hilly regions. But for that, Uttar Pradesh's partition is not imperative.

[Qurban Ali] More important than separation is the question of economic disparity. They complain that they are not receiving justice.

[Naryandutt Tiwari] There are several regions in Uttar Pradesh which are even poorer than the Uttarakhand. That does not mean that Uttarakhand's poverty should not be mitigated. We are working to remove their poverty. For this, it is not necessary to partition Uttar Pradesh. If at any time in history, Uttar Pradesh gets partitioned, Uttarakhand will naturally be formed. At this stage, this question does not arise. We have started

discussions with the center on the issue of Ram's birthplace—Babri Masjid. I personally have not taken up this discussion but I was a party to the discussion, I was involved in it. But the credit for it goes to the center and not to me.

[Qurban Ali] What is the status of economic development?

[Naryandutt Tiwari] The most important is agriculture. Our endeavor is that our programs should reach the grassroots and should become the means for eradicating poverty. This time, on a loan of 7,500 rupees, we reduced interest rate by 2.5 percent. The price of urea [fertilizer] has been reduced by 7.5 percent. There is a plan to extent 30 billion rupees in loans to farmers. No one has a magic wand to transform the situation in a matter of 2-3 months. That is impossible. It will take time to bring about basic changes and this calls for everyone's cooperation.

[Qurban Ali] A 15-point program had been created for the sake of minorities. What has been the progress on that?

[Naryandutt Tiwari] We have created a minority corporation. We will do our best to see that through this, the condition of minorities is ameliorated. We have recently raised grants for Muslim schools. We have made every possible effort to promote Muradabad's utensil industry, Benaras' carpet industry, Agra's leather industry and Khurja's pottery business. We are also extending low interest loans through banks. We have initiated work in every direction.

[Qurban Ali] Following the Meerut riots, there was talk of forming a special riot control battalion of PAC [Provincial Armed Constabulary] wherein it was proposed to give representation to the minorities.

[Naryandutt Tiwari] I know this much that there was talk of forming a battalion of the PAC. There was a call for formation of a completely new battalion. I will make every effort to see that the minorities receive proper representation in it according to their numbers.

[Qurban Ali] What are you doing to stop riots?

[Naryandutt Tiwari] For this, the most important issue is maintaining among the public a feeling of cooperation and goodwill. This matter is not completely in the hands of the administration. It is the administration's responsibility to promote goodwill. Recently there was a riot in Allahabad. We reached there immediately and quickly calmed down the situation. Our endeavor is to keep a close watch on the anti-national and anti-sectarian elements who encourage communalism.

[Qurban Ali] What is your opinion about the newly formed Congress organization? It is said that the relations between the government and the organization are not good and to establish a link between them, a committee has been formed under the chairmanship of Ghulam Nabhi Azad?

[Naryandutt Tiwari] No, relations between the government and the organization are very good. Whenever there is increase in workload or talk of expediting work, coordination is definitely needed. I enjoy and will continue to enjoy the full cooperation of the state Congress organization.

[Qurban Ali] It is being said that currently two parallel governments are running in Uttar Pradesh, one from Delhi and the other from Lucknow. Your reaction?

[Naryandutt Tiwari] Absolutely not. I have no knowledge of this. This is mere talk.

[Qurban Ali] Any factionalism?

[Naryandutt Tiwari] Right from 1946 I have seen a lot of factionalism in the Uttar Pradesh Congress. But currently factionalism is at its lowest. Especially since 1970 when Indira came into prominence, factionalism has subsided very much. A little bit will always continue.

[Qurban Ali] Do you feel that a situation opposing you is being created within the Congress?

[Naryandutt Tiwari] I am busy in my work. I do not think anyone is active in creating bad attitudes toward me. I cannot affirm that such an attempt is afoot. Naturally we have some political enemies and it is their duty to criticize. It will not be fair if we expect the opposition parties also not to indulge in criticism. I am obliged to those who criticize me. But I do not believe that any such attempt is being made. If it is so, I am not aware of it. I do not pay attention to such things.

[Qurban Ali] In Uttar Pradesh there has always been factionalism among senior officials, which severely affects state's performance. How do you deal with it?

[Naryandutt Tiwari] I do not believe there is any factionalism among officials. If it is there, I will work to remove it.

[Qurban Ali] How will you enter the state legislature? From where will you contest by election? From Kashipur?

[Naryandutt Tiwari] I am grateful to Brother Danpi that he has offered to let me contest from Kashipur. In fact there have been offers from 50 constituencies to contest the election. Whatever the high command orders, I will do. I may have to contest in the elections or I may have to enter through the Upper House in the state legislature.

## PAKISTAN

**Political, Personal Difference Between Benazir, Mother**  
*46560007 Islamabad HURMAT in Urdu*  
*18-24 Nov 88 pp 8-10*

[Article: "Differences Between Begum Bhutto And Benazir"]

[Text] This article is being written 3 days before the 16 November elections. We do not have any idea who will win the elections, but we can say for sure that the Bhutto ladies will be in the National Assembly representing one or the other constituency. These women are starting the custom of hereditary rights in politics, just like owning land. They might start the tradition of ownership of the country's leadership in the family, just like the Nehru family is doing in our neighboring country, India. It would not be inappropriate here to analyze the differences between Begum Nusrat Bhutto and Benazir Zardari.

Both ladies, without doubt, consider Pakistan the personal property of late Mr Bhutto. The most important goal for both ladies is to bring back the power that their family lost on 5 July 1977 to General Zia following the serious crisis created in the wake of the historic PNA [Pakistan National Alliance]. However, these two women are separated by differences in their ages, thinking, and ideals. These differences have caused friction between the mother and the daughter in the past and will continue to effect problems at the party and national levels.

Benazir Zardari is more intelligent and level-headed than her mother according to a close friend of the Bhutto family. Benazir grew up in a very different environment than did her mother. For the last 11 years she has gone through a very difficult time. She met people from different walks of life and had the opportunity to study and analyze national and international affairs. These experiences forced her to revise her strategy and also her views about the role of the PPP. She went through major changes and rose from the level of a party leader to a national figure of such prominence that even her opponents in the party began to listen to her and heed her advice.

This close friend admitted that Benazir was also obsessed with revenge after the early years of Al-Zulfiqar and the martial law. Her thinking took a significant turn with the passage of time. The same Benazir who called killed-members of Al-Zulfiqar terrorists and murderers as martyrs, has changed her opinion about them. She has made peace with herself and has begun to behave like the daughter of the landlord who is willing to negotiate even with her enemies to reach her goal. In contrast, Nusrat had been greatly affected by her life before she became Begum Bhutto. The negative influence of early life became more intense when Mr Bhutto was hanged and she had to live alone in France for 6 years. No wonder

her first words on arrival to Pakistan after the self-imposed exile were, "Pakistan appears to be wonderful without Zia-ul Haq." Begum Bhutto's comment was not liked even by those who opposed Zia. Begum Bhutto's one sentence undid years of efforts of Benazir and her opponents in bringing the two major groups in Pakistan together. Later, Begum Bhutto was fully in charge of all party affairs when Benazir went to the hospital on 19 September to deliver her baby. During this 20-day period her attitude toward other parties did not only shock leaders of the parties in the MRD [Movement for the Restoration of Democracy], but also jeopardized Sher Bar Mazari's reconciliatory efforts to bring about a favorable climate for holding national elections. The PPP had agreed to run from less than half of the constituencies. Benazir Bhutto had agreed to leave the MRD and had established talks with Jamaat-e Islami [JI] and Jamiat-e Ulema-e Pakistan. Nusrat Bhutto's arrival on the scene sabotaged this major step in Pakistan's politics. Nusrat Bhutto not only alienated Jamaat-e Islami with her emotional outbursts but also tried to urge Benazir into "flying solo." There is no doubt that Benazir had begun to think that the MRD was unnecessary after she was convinced that the elections will be held and the army will remain neutral. Begum Nusrat Bhutto had played an important role in this process. When Begum Benazir foresaw the danger of flying solo the next morning, she offered to sign the "white paper" and deputed N. D. Khan and Pyar Ali Alana to see Prof Ghafur Ahmed to negotiate some cooperation during the elections with JI. However, it was too late, and all Benazir could do was to fight with her mother. The cold war between the mother and the daughter that has been going on for the last 1 and 1/2 to 2 years became very intense as a result of some of Nusrat Bhutto's actions and immature statements that rocked the PPP.

According to a PPP leader who has recently returned from exile, the cold war between the mother and the daughter has been going on for several years now. They had a bitter row when Benazir decided to marry Zardari, even though the general impression at the time of the betrothal was that Nusrat Bhutto had picked Zardari as Benazir's future husband and Benazir 'just like any other obedient girl brought up in Eastern culture' had submitted to her mother's choice. It was rumored that Benazir did not know anything about her future husband and had never met him, however, it was actually Benazir's own decision. Nusrat Bhutto wanted Benazir to marry an Iranian young man and was pressing her daughter, however, Benazir refused to budge. Nusrat Bhutto, who was already heartbroken at the death of Shah Nawaz, finally gave in to her daughter's wishes. This fact is confirmed by the excerpts from Benazir's book, DAUGHTER OF THE EAST published in Pakistani newspapers. She mentions that Asif Zardari stayed with them in France and that this marriage was Benazir's own

decision. She had liked Asif Zardari's masculinity and his nice manners. The other reason for the mother-daughter conflict was the expulsion of the old guard members from the PPP.

Among the recent incidents that worried Benazir was Nusrat Bhutto's interview that appeared in the Indian newspaper INDIA ABROAD published in the United States. Begum Bhutto had openly suggested inspection of the Kahuta atomic plant. This interview had prematurely exposed not only Benazir's talks with some foreign powers but also had given her political enemies a weapon which they used to destroy PPP's popularity. Then there were incidents involving party tickets for Sanam Bhutto's in-laws and statements made in defense of Martaza Bhutto, the leader of Al-Zulfiqar movement. Begum Bhutto's statement in Peshawar telling about strong rivalry with other parties had also made Benazir angry at her mother. Benazir was forced to participate in rallies and meetings despite her illness.

According to their inner circle of friends the mother and the daughter disagree on who should get party ticket for elections. Begum Bhutto was opposed to giving an election ticket to anyone who had ever criticized the late Mr Bhutto. Benazir did not want to issue tickets to the older members who had been the member of the "in" group. They both had to compromise since their common goal is to gain power. Benazir had a long fight with her mother over Mustafa Khar's inclusion in the PPP. The PPP lost votes of Khar's supporters in Punjab. Benazir considered Mustafa Khar significant for winning Punjab. Benazir had hinted to Khar's messengers that he had sent from jail that she might admit him to the PPP. She had also permitted her party members to participate in demonstrations organized by Tehmina Khar for Khar's release. Khar had used his agreement with Nawaz Jatoi as an excuse to quit NPP [National Peoples Party] and had submitted his papers to run against Nawaz Sharif. According to some people who are close to Benazir, she is still in favor of admitting Khar into the party. Nusrat Bhutto, however, is not willing to change her attitude about Khar. Close friends believe that Begum Nusrat Bhutto has taken these steps of not giving a ticket to Khar and trying to close doors of other parties for him just to strengthen her own position in the party. Begum Bhutto wants to have more clout so when and if the time comes for prime ministership, she is ahead of her daughter. Benazir, however, considers herself the real leader of the party and would not consider anyone but herself when the question of prime ministership arises. According to some sources while Begum Nusrat Bhutto has declared Benazir the future prime minister of Pakistan, she actually considers this office her own personal property. She wants to be the prime minister as she is afraid that Benazir will not be able to develop the attitude toward those who had unseated her father from power necessary to satisfy her desire for revenge. Begum Nusrat Bhutto wants full pardon and the right to return to Pakistan for her son Martaza and his extremist associates. She also wants to make significant changes in the

government to ensure permanent Bhutto control over the country. She wants to become prime minister to achieve these goals. Benazir, on the other hand, knows that if Martaza and his terrorist friends are allowed to return to Pakistan the resulting protests might jeopardize her own future in the country's politics. We all know that power and government office are the kind of temptations that a person could sacrifice his parents, siblings, and all relatives to attain them. God forbid that there is a cold war between the mother and the daughter. Such a friction would effect the nation negatively.

#### **Effects of Zia-Raphel's Personal Friendship on Pakistan**

46560003 Karachi AMN in Urdu 19 Oct 88 p 3

[Column "From Jumma Khan's Pen": "Scheme To Repeat Philippine's History in Pakistan and Jamaat-e Islami"]

[Excerpts] While addressing a press conference in Lahore, the leader of the Jammat-e Islami, Qazi Hussain Ahmad reiterated that Mr Solarz, a member of the U.S. Congress was interested in repeating the Philippine's history in Pakistan, and that he had selected one of the political parties in Pakistan to reach this objective. He claimed that Mr Solarz was also well known for being pro-India and that he was confirmed to be a U.S. senator elected by Tel Aviv (Israel).

Could any member of the U.S. Congress succeed in this effort, if he wishes to see some change in Pakistan's politics, and to achieve this goal, he also makes a political party share his viewpoint? Whether it is the U.S. Congress or any other country's parliament, none of its members can be so powerful to change the political destiny of any big or small country. Pakistan is a state of 10 million Muslims. No magic from any member of the U.S. Congress could work here, whether he succeeds in making some political party share his viewpoint or not and whether he is pro-India and pro-Israel or not.

When the Soviet Union and the United States do not possess the power to change the destiny of any independent nation; the United States being disgraced in Iran and the Soviet Union being beaten in Afghanistan, how can only one member of the U.S. Congress bring about any major change in Pakistan. Could he be more powerful than the Soviet Union's KGB and the United State's CIA?

In his press conference Qazi Hussain Ahmad should have clarified the objections he had in repeating the Philippine's annals in Pakistan. [Passage omitted]

If these annals are repeated in every country which is a dictatorship, and the people after seizing the reins of power from a usurping ruler, appoint their own leader as the head, what objections does Qazi Hussain Ahmad have and why? Does he favor dictatorship?

As far as Mr Solarz is concerned, Qazi Hussain Ahmad's objection is that he is pro-India and pro-Israel. But why does not Qazi Sahib inform the nation that no U.S. administration has ever been a rival of India or Israel.

If the U.S. Government dislikes enmity with India and Israel, what difference does the pro-Indian and pro-Israeli attitude of only one member of the U.S. Congress make?

Qazi Hussain Ahmad should admit sincerely one solid fact that the Muslims have never suffered so much bloodshed during the reign of any other U.S. President as they have during the present U.S. President, Mr Reagan's era. Some elements assisting the Afghan Mujahidin and refugees claim that 1 million people have already lost their lives in Afghanistan. Similarly, the Western observers disclose that the number of people killed in the Iran-Iraq war is 3 million. Whereas, the whole world is aware of the fact that the United States was directly involved in both these bloody wars. Were 4 million Muslims ever made to shed blood in just two Muslim countries during any other U.S. president's reign? Furthermore, all those Muslim countries which also dance to the tune of the United States are responsible for this bloodshed.

#### Another Angle of the Picture

Along with General Zia, the U.S. ambassador, Mr Raphael also was killed in the air crash. Does Qazi Hussain Ahmad possess any information about him. Let me introduce him to you briefly.

When after a prolonged confrontation with the Bhutto administration, the National Unity agreed upon a compromise, on 4 July 1977, it was also decided that the agreement would be formally signed the next day. However, on 4 July, only the U.S. Embassy in Islamabad gave a reception to mark its independence day. Besides others, Gen Zia, also as Chief of the Army Staff, participated in it. He was well acquainted with Mr Raphael. When Gen Zia was ready to depart, Mr Raphael accompanied him to his car to bid him farewell. For a while, both of them were engaged privately in a very brief conversation. After that, smiles appeared on their faces, and they left each other. The following day, on 5 July, instead of signing an agreement between the Bhutto administration and the National Unity, a martial law was imposed.

The U.S. ambassador Raphael belonged to the Jewish faith.

He himself formulated the Afghan policy for Pakistan. He played a vital role in the talks to free the U.S. hostages from Iran.

This Jewish ambassador made war prevail over the Afghan Muslims also, and he played a significant role to make the Muslims of Iran fight with the Iraqi Muslims. As a result of which, 4 million Muslims lost their lives.

Raphael and Gen Zia's sound friendship was known to all.

The U.S. periodical NEWSWEEK in its 29 August issue also published an important article on their profound friendship.

Gen Zia used to talk about Islam, while the U.S. ambassador Raphael was a Jew. Their friendship, however, was so deep that both died together. Both sought each other's advice on all sensitive issues. The question is why did Pakistan accept a Jew as the U.S. ambassador in its country, and how did he become so close to Gen Zia that both stayed together until their deaths. Pakistan's policy regarding the Jews is very explicit; whereas the entire world is aware of the Muslim-Jewish rivalry.

The foreign political observers believe that the U.S. ambassador must have used his influence to have death sentences imposed on the Palestinian hijackers for hijacking the U.S. aircraft. This view is also being expressed because an early decision was made on the case of those involved in the hijacking of the U.S. aircraft in Pakistan, whereas much before this incident, an Indian plane was also hijacked. Those hijackers could not be indicted the way the hijackers of the U.S. aircraft were charged.

Furthermore, it is an enlightening reality that the heads of many Muslim countries, especially the Arab states and the leader of the Palestine Liberation Organization, Yasser Arafat did not participate in the final rites of Gen Zia; although, Pakistan has always declared that it sides with the Arabs and the Palestinians. Were they unhappy with the U.S. ambassador and Gen Zia? Who will answer this question?

Gen Zia gave an interview to a foreign newspaper. In that, he expressed the opinion that Israel was a reality. The Muslim world could not annihilate it. Therefore, it should recognize Israel. Afterwards, when the leader of the Jamaat-e Islami [JI], Mian Tufail Mohammad (he no longer holds this office) was asked to comment on that interview, he, too, believed that Gen Zia's analysis was incorrect. The government of Pakistan also rebutted this interview. But, the foreign newspaper asserted that it never published an interview which was not already taped. Similarly, regarding Gen Zia, the foreign press also published the news that at an appropriate time, he would be the first among all Muslim countries to recognize the existence of Israel. It is believed that during his conversation with foreign journalists, Zia did not conceal his leaning toward Israel merely because he was immensely impressed by the U.S. ambassador, Mr Raphael who was Jewish.

Another incident is also worth mentioning here. When the late Egyptian president, Anwar Sadat, despite the opposition of all Muslim and Arab countries and after being pressured by the United States, signed the Camp David Accord with Israel and announced his recognition

of Israel, all Muslim countries boycotted Egypt. They expelled Egypt from their organizations also. After a few years, Pakistan became among the countries which continued trying to have Egypt's membership reinstated. Then, Anwar Sadat was assassinated on the occasion of the military parade day. Hosni Mubarak became the president. He, too, tried very hard to secure Egypt's old status in the Muslim Conference and the Arab League. But, many countries strongly objected to that. Recently, if any Muslim country did maintain friendly relations with Egypt, it was Pakistan alone. Gen Zia used to send a gift of mangoes to the Egyptian president.

The foreign press has also disclosed that Sri Lanka, in order to combat guerrilla war in its country, had requested military advisors from various countries. Israel also was among those countries that first despatched their military advisors there. Pakistan, despite knowing that the Israeli military advisors were already working in Sri Lanka, sent its military advisors also.

It was because of personal friendship which existed between the U.S. ambassador Raphael and Gen Zia that Pakistan lost the cordiality that it enjoyed previously in its relations with the independent and socialist countries. Pakistan's relations with the Muslim states particularly the PLO were also affected. On the other hand, Pakistan's leaning toward the United States was enhanced so much that some countries began calling Pakistan a U.S. colony. It is not strange that we could not perceive our major error. We could not even see the presence of a Jewish U.S. ambassador in our country. But we are happy that we have disgraced Mr Solarz, who is just one member of the U.S. Congress.

#### **Religious Parties Advised To Stay Out of Politics** *465/9010 Karachi AMN in Urdu 30 Nov 88 p 3*

[Column by Jumma Khan: "Voters Gave Ultimatum To All Religious Parties"]

[Excerpt] [Passage omitted] The recent National Assembly elections clearly indicate that the people neither consider religious parties qualified to run the country nor do they trust them. There are 205 seats in the National Assembly. Jamaat-e Islami [JI] hid itself behind the facade of Islamic democracy, therefore its negligible victory is also behind the screen. Jamiat-e Ulema-e Pakistan [JUP] had also tried to establish a united front of Pakistanis under its flag. Its success or failure will also be hidden. However, this united front only won three seats. Mr Asghar Khan of Tehrik-e-Istiqlal [TI] was one of those who won a seat. All three seats were won from Punjab. This party drew a blank in the remaining three provinces. The third party is Jamiat-e Ulema-e Islam [JUI]. This party talks about one Allah and one religion, but is divided into two factions itself! Its leaders keep telling us that all Muslims must unite, but are not willing to unite themselves! Perhaps, they do not consider each other Muslim! The Fazalur Rehman Group of this party won only seven seats in the National Assembly. Four of these are from Baluchistan and three

from Sarhad. They did not win any seat from Punjab and Sind. The second group, Darkhwasti Group, won only one seat from Sarhad. No other religious party won any seat in the National Assembly. There are not even two dozens among the 205 elected members of the National Assembly who call themselves mufti, maulvi, allama, maulana, khatib or by any other religious title. We should also mention that not one person representing a religious group or party was elected to the National Assembly from Sind.

This is what the people think of religious groups in politics! When the people had the opportunity to decide who should run the government, they rejected the religious platform decisively.

The people have not changed their minds since the movement to establish Pakistan began. In each election, representatives of religious parties came to them asking for votes and they have been rejected repeatedly. The political climate of our nation has not changed during the last 50 years, however, the religious leaders refuse to give up and keep riding the people after each defeat. The people are at a loss why these groups do not learn a lesson from their defeats and why do they keep interfering in political affairs. They want to become leaders but fail to get popular support. Most of the big name religious leaders have never tried to get the people's support. They just think that it is their birthright to run the government. They should know that it is the people who elect their leaders to take care of government affairs.

If the religious leaders want to be heard in the government houses, they should work with the people, get their votes in elections, and fight for their demands. The mullahs just do not understand politics and they do not have the courage to face the people or run for elections. They should just stop making decisions about politics. In politics, only the opinions of those elected by the people is respected.

About a dozen mullahs have published their statements in newspapers. They think that it is improper to make a woman the leader of the country. Now we wonder whether we should listen to a dozen religious leaders or hundreds of representatives who were elected according to our constitution? Now these handful of Mullahs should decide among themselves whether their decision carries more weight than the decision made by the whole country. No nation can afford to follow dictates of a few persons who were not elected by the people, be they religious leaders or whatever. The decision made by the people cannot be overridden by anyone.

The people should bear in mind that these mullahs never did declare martial law against Islamic principles while politicians were making sacrifices even during the martial law regimes for restoration to a democratic government. The mullahs never declared that any of those martial law regimes were against the Islamic religious writings. This is the kind of Islamic religion these so-called mullahs, maulvis, muftis, and maulanas practice!

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